BOARD OF TRUSTEES MEETING

Thursday, August 15, 2013, 12:30 p.m. 10980 S. Jordan Gateway, South Jordan, UT

AGENDA

| 12:00 | Lunch Provided | |
|-------|---|----------------|
| 12:30 | Call to Order and Welcome Attendees | Bruce Adams |
| ITEM | INFORMATION / ACTION | |
| 1 | Review/Excuse Board Members Absent | Bruce Adams |
| 2 | Review/Approve July 17, 2013 Meeting Minutes | Steve Wall |
| 3 | Ratification and Approval of Payments and Credit Card Transactions | Steve Wall |
| 4 | Review/Approve Actuarial Rate Study | Lisa Dennison |
| 5 | Review/Approve 2014 Member Contributions | Sonya White |
| 6 | Review Tentative 2014 Budget | Sonya White |
| 7 | Review Law Enforcement Committee Chair Appointment | Bruce Adams |
| 8 | Review/Approve Coverage Amendments | Johnnie Miller |
| 9 | Review Amendments to Interlocal Cooperation Agreement | Johnnie Miller |
| 10 | Review/Approve Municipal Building Authorities Endorsement | Sonya White |
| 11 | Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual | Bruce Adams |
| 12 | Action on Personnel Matters | Bruce Adams |
| 13 | Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation | Bruce Adams |
| 14 | Action on Litigation Matters | Dave Blackwell |
| | INFORMATION | |
| 15 | Trustee Assignment Reports | Bruce Adams |
| 16 | Chief Executive Officer's Report | Johnnie Miller |
| 17 | Other Business | Bruce Adams |

Electronic Meeting Notice: 888-447-7153, Participant Passcode: 2261240



Public Notice Website

- About
- Login
- Help

Welcome to the Utah Public Notice Website: Your central source for all public notice information in Utah

Search again

Utah Counties Indemnity Pool: Board of Trustees

Entity: Utah Counties Indemnity Pool

Public Body: Board of Trustees

Subject: Administrative Services

Notice Title: Board of Trustees Meeting

Notice Type: Notice

Notice Date & Time: August 15, 2013 | 12:30 PM - 3:30 PM

Description/Agenda:

Call to Order and Welcome Attendees

Review/Excuse Board Members Absent

Review/Approve July 17, 2013 Meeting Minutes

Ratification and Approval of Payments and Credit Card Transactions

Review/Approve Actuarial Rate Study

Review/Approve 2014 Member Contributions

Review Tentative 2014 Budget

Review Law Enforcement Committee Chair Appointment

Review/Approve Coverage Amendments

Review Amendments to Interlocal Cooperation Agreement

Review/Approve Municipal Building Authorities Endorsement

Set Date and Time for Closed Meeting

to Discuss Character, Professional Competence, Physical/Mental Health of an Individual

Action on Personnel Matters

Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation Action on Litigation Matters Trustee Assignment Reports Chief Executive Officer's Report Other Business

Notice of Special Accommodations:

In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify Sonya White at the Utah Counties Indemnity Pool, PO Box 95730, South Jordan, UT 84095, or call 801-307-2113, at least three days prior to the meeting.

Notice of Electronic or telephone participation:

Any Member of the Utah Counties Insurance Pool Board of Trustees may participate telephonically.

Other information:

This notice was posted on: August 14, 2013 12:47 PM This notice was last edited on: August 14, 2013 12:47 PM

Please give us feedback

Meeting Location:

10980 S. Jordan Gateway South Jordan, 84095

Map this!

Contact Information:

Sonya White 801-565-8500 sonya@ucip.utah.gov

Download Attachments:

Agenda 15AUG13.pdf Added: 2013/08/14 12:47 PM

Audio File Address



BOARD OF TRUSTEES' MEETING MINUTES

August 15, 2013, 12:30 p.m.

Utah Counties Indemnity Pool Office 10980 S. Jordan Gateway, South Jordan, Utah

BOARD MEMBERS PRESENTBruce Adams, *President*, San Juan County Commissioner

Jim Eardley, Vice President, Washington County Commissioner Steve Wall, Secretary-Treasurer, Sevier County Clerk Auditor

Steve Wall, Secretary-Treasurer, Sevier County Clerk/Auditor

Alma Adams, Iron County Commissioner David Blackwell, Emery County Attorney Karla Johnson, Kane County Clerk/Auditor Bret Millburn, Davis County Commissioner Mike Wilkins, Uintah County Clerk/Auditor

BOARD MEMBERS TELEPHONICALLY

Bill Cox, Rich County Commissioner

BOARD MEMBERS ABSENT

Brad Dee, Weber County Human Resources Director

Kerry Gibson, Weber County Commissioner Jerry Hurst, Tooele County Commissioner Cameron Noel, Beaver County Sheriff

OTHERS PRESENT

Johnnie Miller, UCIP Chief Executive Officer Sonya White, UCIP Chief Financial Officer

Lisa Dennison, By the Numbers Actuarial Consulting

Call to Order

Bruce Adams called this meeting, of the Utah Counties Indemnity Pool's Board of Trustees, to order at 12:30.m. on August 15, 2013 and welcomed those in attendance.

Review/Excuse Board Members Absent

Alma Adams made a motion to excuse Brad Dee, Kerry Gibson, Jerry Hurst and Cameron Noel from this meeting. Bret Millburn seconded the motion, which passed unanimously.

Review/ Approve July 17, 2013 Meeting Minutes

The minutes, of the Board of Trustees meeting held July 17, 2013, were previously sent to the Board Members for review (see attachment number one). Steve Wall made a motion to approve the July 17, 2013 meeting minutes as written. Mike Wilkins seconded the motion, which passed unanimously.

Ratification and Approval of Payments and Credit Card Transactions

The payments made, the payments to be made and the credit card transactions were reviewed by the Board (see attachment number two). Steve Wall made a motion to approve the payments made, the payments to be made and the credit card transactions. Mike Wilkins seconded the motion, which passed unanimously.

Review/Approve Actuarial Rate Study

The Actuarial rate study and premium indications report was provided to the Board for review (see attachment number three). Lisa Dennison, President and Consulting Actuary, of By the Numbers Actuarial Consulting, explained that the study will aid the Board in determining the amount of contribution to collect. The Pool's surplus is holding strong. The quarterly reserve analysis reduces potential surprises at the end of each year. The Historical Profitability Analysis (page 57, table 34) shows the Pool is in a strong financial position, collected enough in contributions to pay estimated ultimate incurred losses and operating expenses, while building surplus. The graph on page 58 shows that some years the Pool collected exactly what was needed to pay claims and expenses. Lisa explained that three methods are used in the analysis. In reviewing the estimated ultimate incurred loss development, for each line of coverage; a loss trend factor is developed. The two other methods (page 14, table 5) compare the current claims data, incurred and expected with the line of coverage to develop a claim cost inflation percentage (pure loss rate). The rule being; the more exposure, the more claims. The indicated undiscounted premium, at the expected actuarial confidence level, is \$5,520,000 (page 40). Bret Millburn made a motion to approve the Actuarial Rate Study/Premium Indications as presented. Alma Adams seconded the motion, which passed unanimously.

Review/Approve 2014 Member Contributions

Based on the rates approved by the Board at their July 17, 2013 meeting, Sonya White presented the each member's submitted exposure information and the rate calculation for each member's 2014 contribution (see attachment number four). Total values have increased four percent while budgeted expenditures have decreased seven percent from the previous year. The total contribution for 2014 is \$5,016,161, a difference of \$503,839 from the actuarial expected level. Johnnie Miller explained that the Board has not increased rates (that are currently lower than rates charged in 1992), since 2010 while adding and increasing coverage. The Board is comfortable with reducing surplus in 2014 and agreed that coverage cannot continue to be added without raising rates. Bret Millburn made a motion to adopt the 2014 member contributions; with the approval that Rich County's contribution may change once their submitted budgeted expenditures are verified. Alma Adams seconded the motion, which passed unanimously.

Review Tentative 2014 Budget

Sonya White provided the Board with a preliminary 2014 Budget for review (see attachment number five). The approved contributions to budgeted expenses amount is -\$123,000. Expenses include the liability limit increase, the addition of cyber liability coverage and the appraisal costs for each member totaling \$336,892.

Review Law Enforcement Committee Chair Appointment

Johnnie Miller reported that Cameron Noel has submitted his resignation from the UCIP Board of Trustees (see attachment number six). Cameron has explained to Johnnie that due to his duties on the Sheriff's Association Board, along with other commitments, he is unable to dedicate time he feels is necessary to UCIP. Cameron has agreed to continue serving until the Nominating Committee can recommend a new Chair of the Law Enforcement Committee.

Review/Approve Coverage Amendments

Pursuant to the Board's discussions at the June and July meetings, Johnnie Miller presented amended and added language to the Coverage Addendum (see attachment number seven). Changes were recommended to page three (Claims Made Coverage), page seven (Extended Reporting Period), page nine (to allow for defense costs arising for declaratory or injunctive relief), page 10 (defense excluded to a covered party who pleads guilty, nolo contender, no contest or any similar plea in a criminal proceeding), page 14 (definition of Claim broadened to include notice of claim or suit filed), page 83 (the Pool is not liable to pay obligations on a judgment when a covered party pleads guilty, nolo contender, no contest or any similar plea in a criminal proceeding) and page 88 (addition of \$100,000 Declaratory or Injunctive Relief Defense). Steve Wall made a motion to approve the changes to the Coverage Addendum as presented to be effective January 1, 2014. Bret Millburn seconded the motion, which passed unanimously.

Review Amendments to Interlocal Cooperation Agreement

Johnnie Miller provided the Board with proposed language changes to the Fifth Amended Interlocal Cooperation Agreement (see attachment number eight). Changes included the elimination of Utah County

on the Board of Trustees (page three), the addition of a third At-Large Representative to the Board or an auditor to serve on the audit committee (page four), the elimination of language that obligates the Pool to pay claims occurred prior to the withdrawal of a member (page nine) and the time frame of obligations of the Pool (page 10). Jim Eardley made a motion approving the amended language as presented. Karla Johnson seconded the motion, which passed unanimously.

Review/Approve Municipal Building Authorities Endorsement

In the past, the State of Utah Permanent Community Impact Fund Board (CIB) has required Members to name the State as an Additional Insured on a bond and/or crime coverage for mineral lease monies loaned and/or granted to the Member's Municipal Building Authority (MBA). Separate policies have had to be issued for this requirement. Sonya White has been working with the CIB to accept Loss Payee language on Member's current crime coverage. The CIB has now accepted the Pool's crime coverage and the Pool's reinsurer have endorsed the MBAs to the policy (see attachment number nine). The additional policies placed for Carbon, Duchesne, Uintah, Washington and Wayne Counties will be cancelled and premiums refunded. Mike Wilkins made a motion to approve Endorsement Number 12 by National Union Fire Insurance Company. Karla Johnson seconded the motion, which passed unanimously. Language specifically adding the MBAs to the Bylaws will be presented to the Board for approval.

Set Date and Time for Closed Meeting

Steve Wall made a motion to Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual for 2:35 p.m. on August 15, 2013. Bret Millburn seconded the motion, which passed unanimously. Board Members present were: Bruce Adams, Jim Eardley, Steve Wall, Alma Adams, David Blackwell, Bill Cox (telephonically), Karla Johnson, Bret Millburn and Mike Wilkins. Others present were: Johnnie Miller. The regular meeting resumed at 2:50 p.m.

Action on Personnel Matters

David Blackwell made a motion to strike agenda item: Action on Personnel Matters. Bret Millburn seconded the motion, which passed unanimously.

Set Date and Time for Closed Meeting

David Blackwell made a motion to strike agenda item: Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation. Bret Millburn seconded the motion, which passed unanimously.

Action on Litigation Matters

David Blackwell made a motion to strike agenda item: Action on Litigation Matters. Bret Millburn seconded the motion, which passed unanimously.

Trustee Assignment Reports

Trustees provided a brief reported on the contacts made pursuant to the assignments given at the prior Board meeting.

Chief Executive Officer's Report

Johnnie Miller reported that he visited Box Elder, Davis and Piute Counties, attended the Sheriff's Association monthly meeting and is working on language for legislation at the next session. Johnnie provided the Board with a copy of the article submitted to the Utah Association of Counties newsletter (see attachment number 10). Unfortunately, UCIP did not receive credit for the piece.

Other Business

The next meeting of the Board of Trustees will be held Thursday, September 19, 2013, 4:00 p.m. at the Hunter Conference Center, Cedar City, UT.

Approved on this 11th day of Actober 2013

Harla Johnson
, Secretary/Treasurer

Utah Counties Indemnity Pool Payments

July 18 - August 15, 2013

| Туре | Date | Num | Name | Memo | Amount |
|------------------|------------|--------|--|---|------------|
| ML Expense | 07/00/0040 | | | | |
| Liability Check | 07/30/2013 | | QuickBooks Payroll Service | Created by Payroll Service on 07/25/2013 | -13,288.78 |
| Liability Check | 08/14/2013 | ON ING | QuickBooks Payroll Service | Created by Payroll Service on 08/12/2013 | -13,456.57 |
| Liability Check | 07/26/2013 | ONLINE | United States Treasury | EFT ACKNOWLEDGEMENT NUMBER: 270360770879446 | -5,197.68 |
| Liability Check | 07/31/2013 | ONLINE | Utah Retirement Systems | Confirmation Number: 07312985598 | -7,139.86 |
| Liability Check | 07/31/2013 | ONLINE | Utah State Tax Commission | Confirmation Number: 0-318-753-280 | -1,747.27 |
| Liability Check | 07/31/2013 | ONLINE | Nationwide Retirement Solutions | Entity: 0036786001 | -1,536.71 |
| Liability Check | 08/13/2013 | ONLINE | United States Treasury | EFT ACKNOWLEDGEMENT NUMBER: 270362562960954 | -5,274.46 |
| Check | 07/24/2013 | VISA | Wells Fargo | Account Number: 4856 2002 0893 3427 | -712.50 |
| Check | 07/24/2013 | VISA | Wells Fargo | Account Number: 4856 2002 0207 3691 | -1,088.48 |
| Check | 07/24/2013 | VISA | Wells Fargo | Account Number: 4856 2002 0207 3675 | -3,252.44 |
| Check | 08/14/2013 | VISA | Wells Fargo | Account Number: 4856 2002 0207 3675 | -1,749.07 |
| Check | 07/25/2013 | 6812 | Johnnie R. Miller | Expense Reimbursement | -285.89 |
| Check | 07/25/2013 | 6813 | Bruce Adams | Mileage Reimbursement | -339.00 |
| Check | 07/25/2013 | 6814 | Jim Eardley | Expense Reimbursement | -316.40 |
| Check | 07/25/2013 | 6815 | Jerry Hurst | Mileage Reimbursement | -50.85 |
| Check | 07/25/2013 | 6816 | Bret Millburn | Mileage Reimbursement | -36.16 |
| Check | 07/25/2013 | 6817 | Cameron Noel | Mileage Reimbursement | -103.40 |
| Check | 07/25/2013 | 6818 | Rich County | Mileage Reimbursement (Bill Cox) | -124.30 |
| Check | 07/25/2013 | 6819 | Steven Wall | Mileage Reimbursement | -166.11 |
| Check | 07/25/2013 | 6820 | Mike Wilkins | Mileage Reimbursement | -105.66 |
| Bill Pmt -Check | 07/25/2013 | 6821 | Les Olson Company | Invoice Number: EA467528 | -75.12 |
| Bill Pmt -Check | 07/25/2013 | 6822 | Paetec | Invoice Number: 5735357 | -707.93 |
| Bill Pmt -Check | 07/26/2013 | 6823 | Leah Miller | Invoice Number: 72013 | -144.00 |
| Check | 07/29/2013 | 6824 | Mike Wilkins | VOID: Mileage Reimbursement | 0.00 |
| Check | 07/29/2013 | 6825 | Mike Wilkins | Mileage Reimbursement | -100.01 |
| Check | 07/31/2013 | 6826 | PEHP-LTD | Coverage Period: JUL 2013 | -218.66 |
| Bill Pmt -Check | 07/31/2013 | 6827 | Strong & Hanni | Invoice Number: 124839 | -1,914.00 |
| Bill Pmt -Check | 07/31/2013 | 6828 | Utah Sheriff's Association | VOID: 2013 Annual Conference | 0.00 |
| Bill Pmt -Check | 07/31/2013 | 6829 | Premiere Global Services | VOID: Invoice Number: 14275909 | 0.00 |
| Liability Check | 07/31/2013 | 6830 | Public Employees Health Program | Policy Number 1076 (July) | -5,520.71 |
| Bill Pmt -Check | 07/31/2013 | 6831 | Utah Sheriff's Association | 2013 Annual Conference Exhibitor/Sponsor | -2,975.00 |
| Bill Pmt -Check | 07/31/2013 | 6832 | Leah Miller | Invoice Number: 72014 | -174.00 |
| Bill Pmt -Check | 08/01/2013 | 6833 | Fluid Advertising | Invoice Number: 2093 | -1,686.40 |
| Bill Pmt -Check | 08/01/2013 | 6834 | Western AgCredit | Invoice Number: 8-2013 | -10,471.00 |
| Bill Pmt -Check | 08/08/2013 | 6835 | Leah Miller | Invoice Number: 72025 | -30.00 |
| Bill Pmt -Check | 08/08/2013 | 6836 | Makayla Checketts | Invoice Number: 72026 | -408.00 |
| Bill Pmt -Check | 08/08/2013 | 6837 | Nathaly White | Invoice Number: 72016 | -330.00 |
| Bill Pmt -Check | 08/08/2013 | 6838 | Sydney Tamamasui | Invoice Number: 72035 | -72.00 |
| Check | 08/14/2013 | 6839 | Korby M. Siggard | Mileage/Expense Reimbursement | -340.94 |
| Liability Check | 08/15/2013 | 6840 | Opticare of Utah | Invoice Number: 35976 | -55.35 |
| Bill Pmt -Check | 08/15/2013 | 6841 | By The Numbers Actuarial Consulting, I | Invoice Number: 2013-139 | -5,000.00 |
| Bill Pmt -Check | 08/15/2013 | 6842 | Makayla Checketts | Invoice Number: 72027 | -174.00 |
| Bill Pmt -Check | 08/15/2013 | 6843 | Premiere Global Services | VOID: Invoice Number: 14275909 | 0.00 |
| Bill Pmt -Check | 08/15/2013 | 6844 | Revco Leasing Company, LLC | Invoice Number: 334770 | -435.91 |
| Bill Pmt -Check | 08/15/2013 | 6845 | Sydney Tamamasui | Invoice Number: 72040 | -66.00 |
| Bill Pmt -Check | 08/15/2013 | 6846 | Utah Shakespearean Festival | Account Number: 81195 | -1,658.00 |
| Bill Pmt -Check | 08/15/2013 | 6847 | Weber County- | FGC Sponsorship | -700.00 |
| Bill Pmt -Check | 08/15/2013 | 6848 | Premiere Global Services | VOID: Invoice Number: 14275909 | 0.00 |
| Bill Pmt -Check | 08/15/2013 | 6849 | Premiere Global Services | Invoice Number: 14275909 | -82.90 |
| Total ML Expense | | | | | -89,311.52 |
| DTAL | | | | | -89,311.52 |

Draft Issued 8-9-13

Mary Jean King, FCAS, FCA, MAAA Consulting Actuary 118 Warfield Road Cherry Hill, NJ 08034 P:856.428.5961 F:856.428.5962 mking@bynac.com

Actuarial Consulting, Inc.

By The Numbers

UTAH COUNTIES INDEMNITY POOL (UCIP)

ACTUARIAL REPORT Premium Indication 1/1-12/31/14

8/9/13

UTAH COUNTIES INDEMNITY POOL

ALL MULTI-LINE COVERAGES

HISTORICAL PROFITABILITY ANALYSIS

ESTIMATED UNDERWRITING INCOME

| Policy Period | Premium* | Operating Expenses* | Funds Available for Claims | Estimated Ultimate Incurred Losses | Und | timated erwriting acome |
|------------------|--------------|------------------------|----------------------------------|------------------------------------|-----|-------------------------------|
| 1/1-12/31/01 | \$ 3,222,871 | \$ 1,489,185 | \$ 1,733,686 | \$ 1,715,000 | \$ | 18,686 |
| 1/1-12/31/02 | 3,505,736 | 1,644,953 | 1,860,783 | 1,850,000 | | 10,783 |
| 1/1-12/31/03 | 3,930,854 | 2,042,668 | 1,888,186 | 2,419,948 | (| 531,762) |
| 1/1-12/31/04 | 4,194,644 | 2,048,851 | 2,145,793 | 2,656,163 | (| 510,370) |
| 1/1-12/31/05 | 4,217,591 | 2,046,257 # | 2,171,334 | 2,526,117 | (| 354,783) |
| 1/1-12/31/06 | 4,195,406 | 2,058,540 # | 2,136,866 | 2,497,009 | (| 360,143) |
| 1/1-12/31/07 | 4,676,898 | 2,426,559 # | 2,250,339 | 2,544,270 | (| 293,931) |
| 1/1-12/31/08 | 5,146,934 | 2,145,715 | 3,001,219 | 3,142,492 | (| 141,273) |
| 1/1-12/31/09 | 5,573,525 ^ | 2,012,633 ^ | 3,560,892 | 2,789,121 | | 771,771 |
| 1/1-12/31/10 | 5,710,286 | 2,444,578 | 3,265,708 | 3,113,098 | | 152,610 |
| 1/1-12/31/11 | 5,922,572 | 2,401,787 | 3,520,785 | 3,472,038 | | 48,747 |
| 1/1-12/31/12 | 6,281,252 ~ | 2,637,613 ~ | 3,643,639 | 3,618,948 | 3 | 24,691 |
| Total | \$56,578,569 | \$25,399,339 | \$31,179,230 | \$32,344,204 | (\$ | 1,164,974) |

B. ESTIMATED FUND BALANCE

| Policy Period | Estimated Underwriting Income | | Interest & Other Income* | | Estimated Net Income | |
|------------------|-------------------------------------|------------|--------------------------------|-----------|-------------------------|-----------|
| 1/1-12/31/01 | \$ | 18,686 | \$ | 434,407 | \$ | 453,093 |
| 1/1-12/31/02 | | 10,783 | | 237,750 | | 248,533 |
| 1/1-12/31/03 | (| 531,762) | | 223,149 | (| 308,613) |
| 1/1-12/31/04 | (| 510,370) | | 230,501 | (| 279,869) |
| 1/1-12/31/05 | (| 354,783) | | 400,393 | | 45,610 |
| 1/1-12/31/06 | (| 360,143) | | 618,976 | | 258,833 |
| 1/1-12/31/07 | (| 293,931) | | 554,819 | | 260,888 |
| 1/1-12/31/08 | į. | 141,273) | (| 42,271) | (| 183,544) |
| 1/1-12/31/09 | - 71 | 771,771 | 0.5% | 176,378 ^ | | 948,149 |
| 1/1-12/31/10 | | 152,610 | | 302,702 | | 455,312 |
| 1/1-12/31/11 | | 48,747 | | 520,411 | | 569,158 |
| 1/1-12/31/12 | | 24,691 | | 130,147 ~ | | 154,838 |
| Total | (\$1 | 1,164,974) | \$3 | 3,787,362 | \$2 | 2,622,388 |

C. LOSS RATIOS

| Policy Period | Paid Loss Ratio as of 12/31/12 | Incurred Loss Ratio as of 12/31/12 | Estimated Ultimate Incurred Loss Ratio | Permissible Loss Ratio (Funds Available/ Premium) | Combined Ratio [(Losses+ Expenses)/ Premium] |
|------------------|---|---|--|---|--|
| Fellod | 01 12/31/12 | 01 12/31/12 | LO33 I (dilo | Tremany | Tromaing |
| 1/1-12/31/01 | 0.532 | 0.532 | 0.532 | 0.538 | 0.994 |
| 1/1-12/31/02 | 0.528 | 0.528 | 0.528 | 0.531 | 0.997 |
| 1/1-12/31/03 | 0.616 | 0.616 | 0.616 | 0.480 | 1.135 |
| 1/1-12/31/04 | 0.633 | 0.633 | 0.633 | 0.512 | 1.122 |
| 1/1-12/31/05 | 0.599 | 0.599 | 0.599 | 0.515 | 1.084 |
| 1/1-12/31/06 | 0.571 | 0.584 | 0.595 | 0.509 | 1.086 |
| 1/1-12/31/07 | 0.506 | 0.523 | 0.544 | 0.481 | 1.063 |
| 1/1-12/31/08 | 0.518 | 0.579 | 0.611 | 0.583 | 1.027 |
| 1/1-12/31/09 | 0.384 | 0.439 | 0.500 | 0.639 | 0.862 |
| 1/1-12/31/10 | 0.280 | 0.390 | 0.545 | 0.572 | 0.973 |
| 1/1-12/31/11 | 0.260 | 0.373 | 0.586 | 0.594 | 0.992 |
| 1/1-12/31/12 | 0.134 | 0.267 | 0.576 | 0.580 | 0.996 |
| Total | | | 0.572 | 0.551 | 1.021 |

- From the audited financial statements.
 Split administrative expenses 19% workers compensation and 81% multi-line at UCIP's request.
 Split workers compensation and multi-line based on estimates provided by UCIP.
 Estimated by UCIP.



57

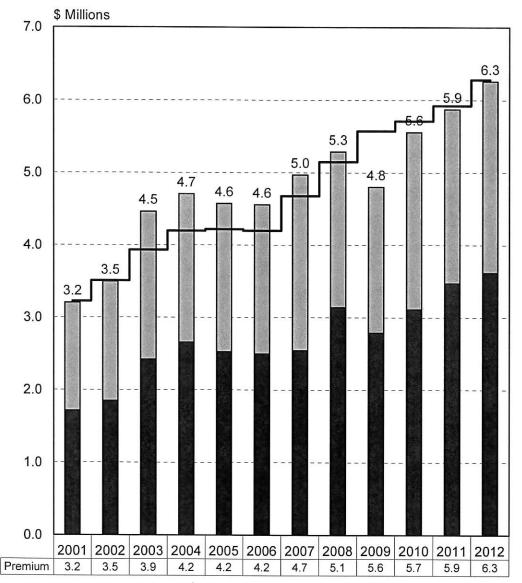
Figure 6

UTAH COUNTIES INSURANCE POOL

ALL COVERAGES

HISTORICAL PROFITABILITY ANALYSIS

■Estimated Ultimate Losses ■Operating Expenses —Premium



1/1-12/31 Policy Period



UTAH COUNTIES INDEMNITY POOL

GENERAL LIABILITY

ESTIMATED ULTIMATE INCURRED LOSSES INCURRED LOSS DEVELOPMENT

(Net of Recoveries)

A. LOSSES LIMITED TO \$250,000

| Policy Period | Incurred Losses as of 6/30/13 | Number of Claims in Excess of \$250,000 | Incurred Losses in Excess of \$250,000 | Limited Incurred Losses as of 6/30/13 |
|------------------|-------------------------------------|--|---|--|
| 1/1-12/31/08 | \$1,373,542 | 1 | \$ 25,000 | \$1,348,542 |
| 1/1-12/31/09 | 1,816,535 | 2 | 140,000 | 1,676,535 |
| 1/1-12/31/10 | 1,748,026 | 1 | 25,000 | 1,723,026 |
| 1/1-12/31/11 | 1,577,870 | 1 | 370,000 | 1,207,870 |
| 1/1-12/31/12 | 978,626 | 0 | 0 | 978,626 |
| Total | \$7,494,599 | 5 | \$ 560,000 | \$6,934,599 |

B. ESTIMATED ULTIMATE INCURRED LOSSES

| Policy Period | Limited Incurred Losses as of 6/30/13 | Age of Policy Period in Months | Incurred Loss Development Factor* | Estimated Ultimate Incurred Losses |
|------------------|--|---|--|------------------------------------|
| 1/1-12/31/08 | \$1,348,542 | 66.0 | 1.106 | \$ 1,491,487 |
| 1/1-12/31/09 | 1,676,535 | 54.0 | 1.179 | 1,976,635 |
| 1/1-12/31/10 | 1,723,026 | 42.0 | 1.369 | 2,358,823 |
| 1/1-12/31/11 | 1,207,870 | 30.0 | 1.888 | 2,058,459 ^ |
| 1/1-12/31/12 | 978,626 | 18.0 | 2.996 | 2,931,963 |
| Total | \$6,934,599 | | | \$10,817,367 |

^{*} Based on Section C of Table 1 of the 2/25/13 actuarial report.



[^] Did not develop claim in excess of retention due to its large size relative to total losses.

UTAH COUNTIES INDEMNITY POOL

GENERAL LIABILITY

SELECTED ESTIMATED ULTIMATE INCURRED LOSSES

(Limited to \$250,000)

| Policy Period | Incurred Loss Development Method | Paid Loss Development Method | Incurred Bornhuettter- Ferguson Method | Paid Bornhuettter- Ferguson Method | Selected Estimated Ultimate Incurred Losses |
|------------------|---|------------------------------------|---|---|---|
| 1/1-12/31/08 | \$ 1,491,487 | \$ 1,435,933 | \$ 1,490,487 | \$ 1,444,794 | \$ 1,490,987 ~ |
| 1/1-12/31/09 | 1,976,635 | 1,917,021 | 1,950,371 | 1,879,679 | 1,963,503 ~ |
| 1/1-12/31/10 | 2,358,823 | 2,523,989 | 2,373,652 | 2,466,023 | 2,366,238 ~ |
| 1/1-12/31/11 | 2,058,459 | 1,841,289 | 2,312,717 | 2,395,305 | 2,185,588 ~ |
| 1/1-12/31/12 | 2,931,963 | 3,743,907 | 2,548,741 | 2,484,367 | 2,548,741 ^ |
| Total | \$10,817,367 | \$11,462,139 | \$10,675,968 | \$10,670,168 | \$10,555,057 |

[~] Selected the average of the incurred methods.



[^] Selected the incurred Bornhuetter-Ferguson method due to the immaturity of the period.

Figure 1

GENERAL LIABILITY

SELECTED ESTIMATED ULTIMATE INCURRED LOSSES

(Limited to \$250,000)

■Incurred Devt ■Paid Devt □Incurred B-F ■Paid B-F —Selected \$ Millions 5.0 4.0 3.0 25 2.0 2.0 1.5 1.0 0.0 2011 2012 2008 2009 2010 1/1-12/31 Policy Period



UTAH COUNTIES INDEMNITY POOL

GENERAL LIABILITY

COST LEVEL ADJUSTMENT

(Limited to \$250,000)

A. LOSSES ADJUSTED TO 1/1-12/31/14

| | Estimated | | |
|--------------|--------------|---------|--------------|
| | Ultimate | Loss | |
| Policy | Incurred | Trend | Adjusted |
| Period | Losses | Factor* | Losses# |
| 1/1-12/31/08 | \$ 1,490,987 | 1.250 | \$ 1,801,234 |
| 1/1-12/31/09 | 1,963,503 | 1.196 | 2,237,230 |
| 1/1-12/31/10 | 2,366,238 | 1.163 | 2,711,185 |
| 1/1-12/31/11 | 2,185,588 | 1.126 | 2,429,472 |
| 1/1-12/31/12 | 2,548,741 | 1.088 | 2,773,030 |
| Total | \$10,555,057 | | \$11,952,151 |

B. EXPOSURE ADJUSTED TO 1/1-12/31/14

| | | Exposure | Adjusted |
|--------------|--------------|----------|--------------|
| Policy | Expenditures | Trend | Expenditures |
| Period | (\$1,000s) | Factor^ | (\$1,000s) |
| 1/1-12/31/08 | \$ 627,498 | 1.195 | \$ 749,860 |
| 1/1-12/31/09 | 659,039 | 1.160 | 764,485 |
| 1/1-12/31/10 | 677,708 | 1.126 | 763,099 |
| 1/1-12/31/11 | 669,118 | 1.093 | 731,346 |
| 1/1-12/31/12 | 737,032 | 1.061 | 781,991 |
| Total | \$3,370,395 | | \$3,790,781 |

^{*} See Section A of Appendix B, Exhibit I.



[#] Losses have not been adjusted above the retention.

[^] See Section A of Appendix B, Exhibit II.

UTAH COUNTIES INDEMNITY POOL

GENERAL LIABILITY

PROJECTED LOSSES FOR 1/1-12/31/14

(Limited to \$250,000)

A. PURE LOSS RATES

| Policy Period | Adjusted Losses | Adjusted Expenditures (\$1,000s) | Pure Loss Rate per \$1,000 Expenditures |
|------------------|--------------------|--|--|
| 1/1-12/31/08 | \$ 1,801,234 | \$ 749,860 | \$2.40 |
| 1/1-12/31/09 | 2,237,230 | 764,485 | 2.93 |
| 1/1-12/31/10 | 2,711,185 | 763,099 | 3.55 |
| 1/1-12/31/11 | 2,429,472 | 731,346 | 3.32 |
| 1/1-12/31/12 | 2,773,030 | 781,991 | 3.55 |
| Total | \$11,952,151 | \$3,790,781 | |
| | | Average | \$3.15 |
| | | Wtd Average | 3.15 |
| | | 3 Yr Average | 3.47 |
| | | 5 Yr Mid Average | 3.27 |
| | | Prior | 3.00 |
| | | Selected [^] | 3.15 |

B. PROJECTED LOSSES

| | Selected | Projected | |
|--------------|-----------|--------------|-------------|
| Policy | Pure Loss | Expenditures | Projected |
| Period | Rate | (1,000) | Losses |
| 1/1-12/31/14 | \$3.15 | \$ 510,583 # | \$1,610,000 |

[^] Selected the weighted average.



[#] Provided by UCIP.

Figure 2

GENERAL LIABILITY

PURE LOSS RATES ADJUSTED TO A 1/1-12/31/14 COST LEVEL

(Limited to \$250,000)

■Pure Loss Rate ■Selected —Selected

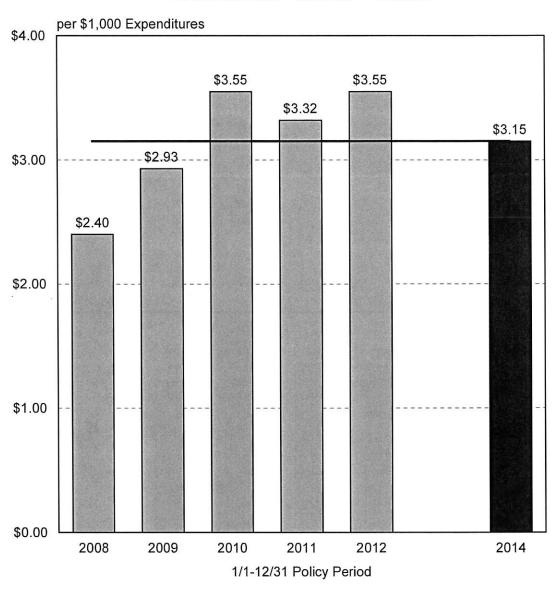




Figure 4

AUTO LIABILITY

PURE LOSS RATES ADJUSTED TO A 1/1-12/31/14 COST LEVEL

(Limited to \$250,000)

■Pure Loss Rate ■Selected —Selected

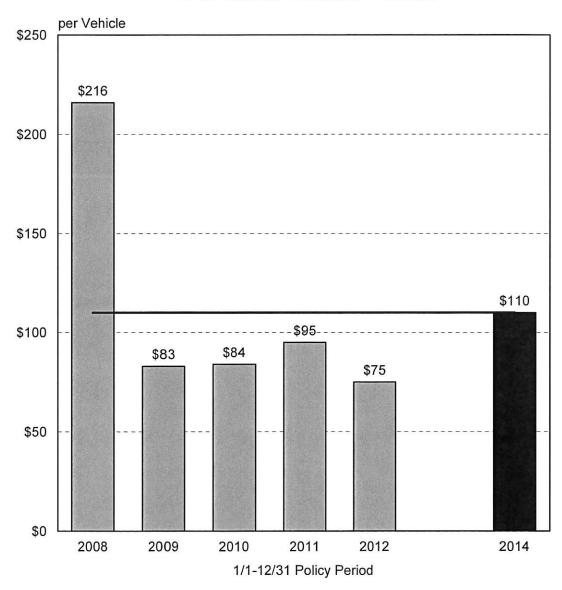




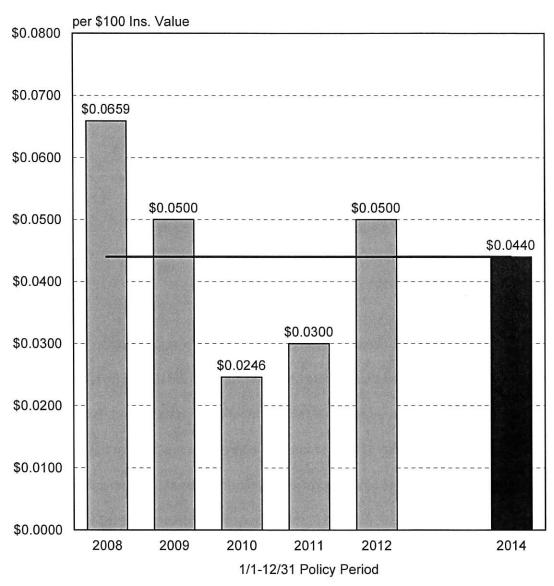
Figure 6

PROPERTY

PURE LOSS RATES ADJUSTED TO A 1/1-12/31/14 COST LEVEL

(Limited to \$250,000 Excluding Davis County Building and Contents)

■Pure Loss Rate ■Selected —Selected





COMPARISON TO PRIOR REPORT

The loss projections in this report are compared to the 8/7/12 actuarial report in the following table.

COMPARISON OF LOSS PROJECTIONS TO PRIOR REPORT

| Coverage | Report | Pure Loss Rate | Exposure | Projected Losses |
|-------------------|---------|-------------------|----------------|---------------------|
| General Liability | Current | \$3.15 | \$ 510,583 ^ | \$ 1,610,000 |
| | Prior | 3.00 | 731,276 | 2,190,000 |
| | Change | + 5.0% | -30.2% | -26.5% |
| Auto Liability | Current | \$110 | 3,467 * | \$ 380,000 |
| | Prior | 120 | 4,075 | 490,000 |
| | Change | - 8.3% | -14.9% | -22.4% |
| Property | Current | \$0.0440 | \$17,088,760 ~ | \$ 750,000 |
| | Prior | 0.0500 | 19,593,196 | 980,000 |
| | Change | -12.0% | -12.8% | -23.5% |
| Total | Current | | | \$ 2,740,000 |
| | Prior | | | 3,660,000 |
| | Change | - 1.3% | -24.1% | -25.1% |

[^] Expenditures (1,000).

There has been a significant increase in the general liability (GL) loss rates in the more recent years leading to an increase in the projected loss rate for 1/1-12/31/14. The projected loss rate for auto liability (AL) decreased again due to favorable experience in the 1/1-12/31/09 through 1/1-12/31/12 periods. Property (PR) loss rates have also been low the last four periods and projected property losses once again decreased. Overall, the total loss projection is a 25.1% decrease compared to last year, due to a 1.3% decrease in experience and a 24.1% decrease in exposure.



^{*} Vehicles.

[~] Insured value (100).

UTAH COUNTIES INDEMNITY POOL

ALL COVERAGES

PREMIUM INDICATION FOR 1/1-12/31/14 BY COVERAGE

(Gross of Deductible)

| | | | General Liability | Automobile Liability | Property | Total |
|----|---|-------|----------------------|-------------------------|-------------|-------------|
| A. | LOSS PROJECTION* | | \$1,610,000 | \$ 380,000 | \$ 750,000 | \$2,740,000 |
| B. | FIXED EXPENSES** | | \$1,570,000 | \$ 370,000 | \$ 840,000 | \$2,780,000 |
| C. | INDICATED PREMIUM UNDISCOUNTED A + B | | \$3,180,000 | \$ 750,000 | \$1,590,000 | \$5,520,000 |
| D. | CURRENT PREMIUM# | | | | | \$5,082,591 |
| E. | UNDISCOUNTED PREMIUM INDICATION C/D - 1 | | | | | + 8.6% |
| F. | LOSS PRESENT VALUE FACTOR## | | 0.972 | 0.989 | 0.994 | 0.980 |
| G. | PREMIUM PRESENT VALUE FACTOR* | 1.000 | | | | |
| H. | INDICATED PREMIUM DISC. AT 0.7% PER ANNUM [A x F + B]/G | | \$3,130,000 | \$ 750,000 | \$1,590,000 | \$5,470,000 |
| 1. | DISC. PREMIUM INDICATION AT 0.7% PER ANNUM H/D - 1 | | | | | + 7.6% |

^{*} See Section B of Tables 7, 14, and 19.



^{**} See Appendix B, Exhibit III.

[#] Provided by UCIP.

^{##} See Appendix B, Exhibit IV.

[^] See Appendix B, Exhibit V.

UTAH COUNTIES INDEMNITY POOL

ALL COVERAGES

PREMIUM INDICATION FOR 1/1-12/31/14 BY CONFIDENCE LEVEL

(Gross of Deductible)

| | | | | | Confiden | ce Level | | |
|----|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | | | 30% | Expected | 70% | 80% | 90% | 95% |
| A. | LOSS PROJECTION* | | \$2,580,000 | \$2,740,000 | \$2,880,000 | \$2,970,000 | \$3,110,000 | \$3,220,000 |
| B. | FIXED EXPENSES** | \$2,780,000 | | | | | | |
| C. | INDICATED UNDISCOUNTED PREMIUM A + B | | \$5,360,000 | \$5,520,000 | \$5,660,000 | \$5,750,000 | \$5,890,000 | \$6,000,000 |
| D. | CURRENT PREMIUM# | \$5,082,591 | | | | | | |
| E. | UNDISCOUNTED PREMIUM INDICATION C/D - 1 | | + 5.5% | + 8.6% | +11.4% | +13.1% | +15.9% | +18.1% |
| F. | LOSS PRESENT VALUE FACTOR | 0.980 | | | | | | |
| G. | PREMIUM PRESENT VALUE FACTOR | 1.000 | | | | | | |
| H. | INDICATED PREMIUM DISC. AT 0.7% PER ANNUM [A x F + B]/G | | \$5,310,000 | \$5,470,000 | \$5,600,000 | \$5,690,000 | \$5,830,000 | \$5,940,000 |
| 1. | DISC. PREMIUM INDICATION AT 0.7% PER ANNUM H/D - 1 | | + 4.5% | + 7.6% | +10.2% | +12.0% | +14.7% | +16.9% |



^{*} See Appendix B, Exhibit VI.
** See Appendix B, Exhibit III.
Provided by UCIP.

Appendix B, Exhibit III

UTAH COUNTIES INDEMNITY POOL

ALL COVERAGES

ESTIMATED EXPENSES FOR 1/1-12/31/14

| Expense | General Liability | Automobile Liability | Property | Total | Percent of Premium |
|-----------------------|----------------------|-------------------------|------------|-------------|-----------------------|
| Reinsurance* | \$ 854,300 | \$ 201,680 | \$ 510,000 | \$1,565,980 | 30.8% |
| Other Fixed Expenses# | 718,000 | 169,000 | 334,254 | 1,221,254 | 24.0% |
| Fixed Expenses | \$1,572,300 | \$ 370,680 | \$ 844,254 | \$2,787,234 | 54.8% |

Provided by UCIP. Liability allocation based on projected losses.
 Total provided by UCIP. Allocated based on projected losses.

| , | | | |
|---|--|--|--|

2014 CONTRIBUTION CALCULATION

(2011 Rates)

CONFIDENTIAL. Intended only for the use of the UCIP Board of Trustees and contains information that is confidential, privileged and exempt from disclosure under application law. Disclosure, copying, distribution or use of any of the information contained in this file is strictly PROHIBITED.

| COUNTY | INSURABLE VALUE | PERCENT CHANGE | NUMBER of VEHICLES | PERCENT CHANGE | EXPENDITURES | PERCENT CHANGE | PROPERTY \$0.105 | AUTO \$285.00 | LIABILITY \$4.50 | 2014 CONTRIBUTION | PERCENT CHANGE | 2013 CONTRIBUTION |
|------------|--------------------|-------------------|-----------------------|-------------------|--------------|-------------------|---------------------|------------------|---------------------|----------------------|-------------------|----------------------|
| Beaver | 39,000,431 | 4% | 68 | 1% | 9,157,303 | 1% | 40,950 | 19,380 | 41,254 | 101,584 | 2% | 99,513 |
| Box Elder | 49,595,932 | 10% | 230 | 1% | 24,114,346 | -1% | 52,076 | 65,550 | 108,635 | 226,261 | 2% | 221,408 |
| Carbon | 76,643,973 | 3% | 152 | 6% | 21,307,444 | -4% | 80,476 | 43,320 | 95,990 | 219,786 | 0% | 219,410 |
| Daggett | 11,893,543 | -9% | 46 | 7% | 5,000,658 | -18% | 12,488 | 13,110 | 22,528 | 48,126 | -10% | 53,488 |
| Davis | 228,336,307 | 16% | 228 | 2% | 59,662,440 | -24% | 172,721 | 64,980 | 268,779 | 506,480 | -5% | 534,389 |
| Duchesne | 43,758,458 | 3% | 138 | -1% | 11,614,204 | 5% | 45,946 | 39,330 | 52,322 | 137,598 | 3% | 133,930 |
| Emery | 52,990,880 | 7% | 134 | -11% | 11,060,326 | 0% | 55,640 | 38,190 | 49,827 | 143,657 | -1% | 144,856 |
| Garfield | 32,060,583 | 3% | 106 | 0% | 13,487,754 | -3% | 33,664 | 30,210 | 60,762 | 124,636 | -1% | 125,802 |
| Iron | 67,139,069 | 0% | 214 | 5% | 25,654,284 | 4% | 70,496 | 60,990 | 115,573 | 247,059 | 3% | 240,000 |
| Juab | 45,387,751 | 24% | 139 | 9% | 6,013,752 | -31% | 47,657 | 39,615 | 27,092 | 114,364 | 0% | 114,288 |
| Kane | 33,701,159 | 2% | 87 | 5% | 15,021,623 | -18% | 35,386 | 24,795 | 67,672 | 127,854 | -9% | 140,712 |
| Millard | 51,293,796 | -18% | 168 | 4% | 18,281,977 | 4% | 53,858 | 47,880 | 82,360 | 184,099 | -4% | 191,199 |
| Morgan | 17,907,497 | 1% | 46 | 0% | 5,666,993 | 0% | 18,803 | 13,110 | 25,530 | 57,443 | 0% | 57,280 |
| Piute | 6,969,863 | 1% | 25 | 0% | 1,263,195 | 0% | 7,318 | 7,125 | 5,691 | 20,134 | 0% | 20,034 |
| Rich | 7,185,438 | 4% | 47 | 0% | 4,078,035 | 20% | 7,545 | 13,395 | 18,372 | 39,311 | 10% | 35,892 |
| San Juan | 45,697,937 | 3% | 222 | 0% | 17,468,191 | 0% | 47,983 | 63,270 | 78,694 | 189,947 | 1% | 188,455 |
| Sanpete | 28,655,827 | 2% | 93 | 0% | 10,576,764 | 19% | 30,089 | 26,505 | 47,648 | 104,242 | 8% | 96,306 |
| Sevier | 40,683,230 | 1% | 137 | 16% | 13,979,049 | -8% | 42,717 | 39,045 | 62,976 | 144,738 | 0% | 144,239 |
| Гооеlе | 152,473,975 | 1% | 262 | -9% | 36,874,890 | -14% | 160,098 | 74,670 | 166,121 | 400,889 | -7% | 433,073 |
| Jintah | 98,922,889 | 0% | 139 | -5% | 34,563,615 | -25% | 103,869 | 39,615 | 155,709 | 299,193 | -16% | 354,456 |
| Wasatch | 82,522,860 | 4% | 153 | -8% | 20,867,897 | 1% | 86,649 | 43,605 | 94,010 | 224,264 | 0% | |
| Vashington | 105,016,694 | 6% | 205 | -2% | 39,265,391 | 2% | 110,268 | 58,425 | 176,891 | 345,583 | | 223,993 |
| Vayne | 11,722,053 | 13% | 70 | 8% | 4,237,423 | 23% | 12,308 | 19,950 | | | 2% | 337,249 |
| Nahar | 300 908 885 | 5% | 266 | -14% | 70.596.219 | 5% | 315.954 | 75.810 | 19,090 318.036 | 51,348 709,800 | 14% | 45,017 694,594 |

| | Audit 2012 | Approved 2013 Budget | Preliminary 2014 Budget |
|--|---------------|----------------------------|-------------------------------|
| Revenue | | <u></u> | , |
| Contributions and other Considerations | 6,282,067 | 5,085,654 | 5,016,161 |
| Investment Income | 416,356 | 105,000 | 105,000 |
| Program Management Fees | 3,146 | 3,000 | 3,000 |
| Conferences | 17,797 | 15,000 | 15,000 |
| Total Income | 6,719,366 | 5,208,654 | 5,139,161 |
| Underwriting Expense | | | , |
| Losses and Loss Adjustment Expenses | 3,879,089 | 2,329,592 | 2,320,608 |
| Reinsurance Expense | 1,574,107 | 1,565,980 | 1,597,299 |
| Total Underwriting Expenses | 5,453,196 | 3,895,572 | 3,917,907 |
| Administrative Expense | | | |
| Board of Trustees | 39,731 | 40,000 | 40,000 |
| Depreciation | 15,441 | 15,000 | 15,000 |
| Loss Control | 49,974 | 50,000 | 50,000 |
| Marketing | 15,931 | 16,000 | 16,000 |
| Office Operations | 185,933 | 210,000 | 210,000 |
| Professional Services | 144,812 | 215,254 | 215,254 |
| Staff | 599,992 | 675,000 | 675,000 |
| Total Administrative Expenses | 1,051,814 | 1,221,254 | 1,221,254 |
| Dividend Expense | | | |
| Experience | - | 20,511 | 1- |
| Equity | - | 71,317 | - |
| Total Dividends Expense | | 91,828 | - |
| Total Operating Expense | 6,505,011 | 5,208,654 | 5,139,161 |
| Change in Net Position | \$ 214,355 | \$ - | \$ - |

Contribution to Expense: -123,000

Increase Limit: 265,454
Cyber Liability: 17,438
Appraisal: 54,000
336,892

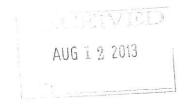


Cameron M. Noel Sheriff

2270 South 525 West P.O. Box 391 Beaver, Utah 84713

Business Office: (435) 438-2467 Civil Process: (435) 438-2466 Dispatch: (435) 438-2862 Fax: (435) 438-5206

Beaver County Sheriff's Office



August 7th 2013

Utah Counties Indemnity Pool P.O Box 95730 South Jordan, Utah 84095-0730

Dear Johnnie,

I regret to inform you that I am submitting my resignation as a Board Member with Utah Counties Indemnity Pool, effective immediately.

I have enjoyed the friendship of the staff and other board members and will continue to support the organization that UCIP is.

Sincerely Yours,

Cameron M. Noel Sheriff of Beaver County

PART II GENERAL COVERAGE CONDITIONS

A. Claims Made Coverage

1. The All Liability coverage provided under this Coverage Addendum including General Liability, Auto Liability, Public Officials Errors & Omissions and Employee Benefits Liability sections of this Coverage Addendum provide "Claims made" coverage. The coverages provided by those sections are limited to Claims first made against a Covered Party while the Coverage Addendum is in force or during the Extended Reporting Period. All other coverages first party coverages provided by this Coverage Addendum, including property, auto liability and general liabilitycrime, and auto physical damage are provided on an Occurrence basis.

A Claim shall be considered as being first made when the Member first gives notice in writing to the Pool that a Claim has been made against a Covered Party.

- 2. Upon a **Member** first becoming aware of any act or omission which would reasonably be expected to be the basis of a **Claim** or **Suit** covered under this **Addendum**, written notice shall be given by the **Member** to the **Pool** as soon as practicable, together with the fullest information obtainable. If a **Claim** is made or a **Suit** is brought against a **Covered Party**, the **Member** shall immediately forward to the Pool every demand, notice, summons or other process received by the Covered Party, the **Member** or the **Member**'s agent.
- 3. The Public Officials Errors & Omissions and Employee Benefits Liability sections of this Coverage Addendum apply to a Claim only if the Wrongful Act, negligent act, or error or omission giving rise to the Claim occurred after the retroactive date, if any, shown in Endorsement No. 7 of this Addendum and before the Member's withdrawal or termination from the Pool. Any Wrongful Act, negligent act, or error or omission that consists of a series of related acts, errors, or omissions will be deemed to have occurred at the time of the first such act, error, or omission.

B. Contribution Payments

Contributions are determined by the Board of Trustees annually for the forthcoming fiscal period of the **Pool** and are based upon current underwriting information.

C. Territorial Scope

This coverage applies to occurrences worldwide for which suit is brought in the United States or for which **Claims** are settled by the **Pool**.

D. Deductibles

| * | | |
|---|--|--|
| | | |

If a **Covered Party** makes a **Claim** knowing the **Claim** to be false or fraudulent, in regard to the **Claim's** amount or otherwise, coverage shall become void and the **Claim** shall be forfeited.

N. Extended Reporting Period

- 1. The extended reporting period for Claims covered by the Public Officials
 Errors & Omissions and Employee Benefits Liability portions of this
 Addendum is automatically provided without additional charge. This
 period starts with the date of withdrawal or termination of the Member and
 extends for 60 days.
- 2. The extended reporting period does not extend the coverage period or change the scope of the coverage provided. The extended reporting period applies only to **Wrongful Acts**, negligent acts, errors, or omissions committed before the withdrawal or termination of the Member. The extended reporting period does not reinstate or increase the Limits of Coverage.
- 3. The extended reporting period does not apply to Claims that are covered under any subsequent insurance or coverage applicable to this Coverage Addendum which a Member purchases or that would have been covered but for exhaustion of the amount of insurance or coverage applicable to those Claims.

O-N. Cross Liability

- 1. In the event of liability being incurred by reason of injury suffered by any employee of one **Member** which does not arise out of the injured employee's employment, for which another **Member** is liable, then this **Addendum** shall indemnify the **Member** for that liability in the same manner as if separate agreements had been issued to each **Member**.
- In the event of liability being incurred by reason of **Property Damage** to **Property** belonging to any **Member** for which another **Member** is liable, then this **Addendum** shall indemnify the **Member** in the same manner as if separate agreements had been issued to each **Member**.
- 3. Nothing contained in this condition shall operate to:
 - a. Increase the **Pool's** limits of liability; or
 - b. Include coverage for a **Member** who sustains **Property Damage** as a consequence of its own employee's acts.

P.O. Multiple Claims or Claimants

1. Inclusion herein of more than one **Member**, **Named Member** or **Covered Party** or the making of more than one claim or the bringing of suits by

| 3 | | |
|---|--|--|
| | | |

PART III GENERAL COVERAGE EXCLUSIONS

The following exclusions apply to all coverages described in this **Addendum**. This **Addendum** does not provide coverage for:

- A. Loss, damage or any type of liability caused by or resulting from fraudulent or dishonest acts committed by the **Covered Party**, whether working alone or with others, except as provided in the Crime Coverages herein.
- B. Expenses from any cost, civil fine, penalty or expense against any Covered Party for any compliance or enforcement action from any federal, state or local governmental regulatory agency.
- C. Any liability arising out of either the operations of a hospital or the medical malpractice of any physician, medical doctor, osteopath, chiropractor, resident, extern or intern; psychiatrist; pharmacist; dentist, orthodontist, or periodontist.
- **D.** Workers' compensation, employers' liability and occupational disease.
- E. Claims arising for declaratory or injunctive relief, except defense costs for such actions as identified in the Limits of Liability.
- F. Bodily Injury, Personal Injury, Property Damage or any type of damage whatsoever to the property of the Member due to war, either directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, any weapon of war employing atomic fission or radioactive force whether in time of peace or war, hostilities (whether war was declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority.
- G. Any act of terrorism meaning any act or threatened act that is violent, forceful or in any way dangerous to persons or property (tangible or intangible), of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes which may include the intention to influence any government and/or to put the public, or any section of the public, in fear (see sublimits available in Part V 3, Limits of Coverage, and Part VII 5, Limits of Coverage). This exclusion also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing, or in any way relating to paragraphs A and B above.
- H. Bodily Injury, Personal Injury, Property Damage or any type of damage whatsoever, including the loss of use or any other type of loss or damage caused by the release, discharge or dispersal of Pollutants anywhere, anytime in any way, whether accidental or intentional, sudden, intermittent or continuous and regardless of ownership or location, EXCEPT this exclusion does not apply as provided in the

| , | | |
|---|--|--|
| * | | |

Liability Section for **Bodily Injury** or **Property Damage** arising out of heat, smoke or fumes from a hostile fire, EXCEPT this exclusion does not apply to the official activities of the **Member's** hazardous materials work unit.

- I. Bodily Injury, Personal Injury, Property Damage or any other type of damage whatsoever, directly or indirectly caused by the presence of asbestos or lead in any form, except as covered in the Property Section.
- J. Loss or damage caused by or resulting from moth, vermin, termites or other insects, inherent vice, latent defect, wear, tear or gradual deterioration, contamination, rust, wet or dry rot, mold, dampness or atmosphere, smog, extremes of temperature or loss or damage by settling for any reason, including movement of any kind, shrinkage or expansion in building or foundation.
- K. Loss of or damage to or Claims resulting from the maintenance, operation or use or entrustment to others of any satellite, aircraft, water craft over 26 feet in length or watercraft used to carry persons or property for a charge. This exclusion applies even if the Claims against any Covered Party allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that Covered Party.
- L. Loss of or damage to jewelry, precious stones and furs or garments trimmed with fur.
- M. Bodily Injury, Personal Injury, Property Damage or any type of damage whatsoever for any Claims made or lawsuits brought against any Covered Party alleging physical or sexual assault, abuse, molestation or habitual neglect. This exclusion applies whether the act was committed intentionally, negligently, inadvertently or with the belief, erroneous or otherwise, that the other party is consenting and has the legal and mental capacity to consent.
 - 1. However, the **Covered Party** may be entitled to a defense and the payment of **Claims** expenses for civil **Claims** brought against the **Covered Party** as provided under the terms of this **Addendum** if the lawsuit is brought for alleged civil rights violations in addition to physical or sexual assault, abuse, molestation or habitual neglect. The **Pool** may provide for the defense of the **Claim** unless or until a judgment or final adjudication of liability is established or there is an admission by the **Covered Party** accused of the act, or in a criminal proceding a plea of guilty, nolo contender, no contest or any similar plea that establishes the injury claimed in the suit in whole or in part.
 - 2. The **Pool** shall not be required to appeal a judgment or final adjudication that is adverse to the **Covered Party**. However, if the **Covered Party** elects to appeal the judgment or final adjudication and the judgment or adjudication is reversed on the issue of liability, the **Pool** may then reimburse the **Covered Party** for all reasonable expenses incurred in the appeals process.

| * | | |
|---|--|--|

PART IV GENERAL DEFINITIONS

"Accident" is descriptive of means which produce effects which are not their natural and probable consequences.

This "Addendum" or this "Coverage Addendum" means the Coverage Addendum to the Amended Bylaws created to describe the property and liability coverages provided to the Members of the Pool.

- "Automobile" or "Auto" means any motor vehicle intended or designed for highway use, and trailers or semi-trailers, including their equipment and any other equipment permanently attached to it, but Automobile does not include Mobile Equipment. However, self-propelled vehicles with the following types of permanently attached equipment are considered Automobiles: equipment designed primarily for snow removal; equipment designed for road maintenance but not construction or resurfacing; equipment designed for street cleaning; cherry pickers and similar devices mounted on an automobile or truck chassis and used to raise or lower workers; and air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.
- "Bodily Injury" means physical injury (including death) to any person, and any mental anguish or shock, sickness, disease, disability or death associated with or arising from that physical injury. Bodily Injury also includes battery and incidental medical malpractice.
- "Claim" as it applies to first party claims is an allegation of damage to covered property for which a Covered Pary Member seeks coverage from the Pool. "Claim" as it applies to third party liability claims is a notice of claim served on a Covered Party or a suit filed against a Covered Party.
- "Contamination" means any unclean, unsafe, damaging, injurious or unhealthy condition arising out of the presence of **Pollutants**, whether permanent or transient in any environment.
- "Covered Contract" means that part of any contract or agreement that is usual and customary to the Member's- operations under which the Member assumes the tort liability of another party to pay damages because of **Bodily Injury** or **Property Damage**. "Tort liability" means liability that would be imposed by law in the absence of any contract or agreement.
- "Covered Party" means a Member. "Covered Party" also includes any past, present or future officials; members of boards or commissions, trustees or directors; officers, volunteers authorized to act on behalf of the county or employees of the Member while acting within the scope of their duties as such, and any person, organization, trustee or estate to whom the Member is obligated by virtue of a written Covered Contract.
- "Damages" include jury awards, settlements, attorney's fees and costs, but do not include back pay, overtime pay or other benefits that are routinely paid by a **Member** to its employees.

| * | | | |
|---|--|--|--|
| | | | |

PART VII LIABILITY COVERAGE SECTION

A. General Liability

1. Coverage Agreements

- a. The Pool agrees to indemnify the Covered Party for those sums that the Covered Party becomes legally obligated to pay as Money Damages because of Bodily Injury, Property Damage, Personal Injury or Law Enforcement Personal Injury to which this coverage applies. The Bodily Injury, Personal Injury or Law Enforcement Personal Injury or Property Damage must be caused by an Occurrence. This coverage includes but is not limited to Host/Liquor Liability, Products Liability, Completed Operations, Incidental Malpractice (see endorsement for Limited Professional Health Care Services) and Law Enforcement Activities.
- b. Notwithstanding the Agreements above, the Pool shall not be liable to pay on behalf of or indemnify the Covered Party for any sum which the Covered Party shall be obligated to pay if a judgment or final adjudication in any action brought against the Covered Party shall be based on a determination that acts of fraud or dishonesty were committed by the Covered Party, or in a criminal proceding a plea of guilty, nolo contender, no contest or any similar plea is made by the Covered Party.
- c. Except for Public Officials Errors & Omissions coverage and Employee Benefits Liability coverage, the coverage under this Section VII. applies to **Bodily Injury**, **Property Damage**, **Personal Injury**, or **Law Enforcement Personal Injury** only if:
 - (i) The injury or damage occurs during the **Agreement** period; and
 - (ii) Prior to the **Agreement** period, no **Covered Party** and no employee authorized by the **Member** to give or receive notice of an **Occurrence** or **Claim** knew that the injury or damage had occurred, in whole or part. If a **Covered Party** or authorized employee knew, prior to the **Agreement** period, that the injury or damage had occurred, then any continuation, change or resumption of such injury or damage during or after the **Agreement** period will be deemed to have been known prior to the **Agreement** period.
- d. Bodily Injury, Property Damage, Personal Injury, or Law Enforcement Personal Injury will be deemed to have been known

| * | | |
|---|--|--|
| | | |

- (ii) The limits of coverage set forth in the General and Auto Liability Sections shall include all costs, attorney's fees and expenses awarded to an adverse party in a litigated or contested Claim. All costs, attorney's fees and expenses incurred in the defense of a litigated or contested Claim, shall be excess of the limits of coverage set forth.
- (iii) In the event of bankruptcy or insolvency of the **Member**, such bankruptcy or insolvency may not diminish the coverage provided by this section regarding third parties. If execution against the **Member** is returned unsatisfied, an action may be maintained against the Pool to the extent that the liability is covered by this section.

5. Limit of Coverage

- a. The Limits of Coverage of this Agreement and the rules below fix the most the **Pool** will pay regardless of the number of:
 - (i) Covered Parties;
 - (ii) Claims made or Suits brought; or
 - (iii) Persons or organizations making Claims or bringing Suits.
- b. The Pool's obligation to indemnify as the result of any one

 Occurrence is limited as described by the Member Sublimits below, less the amount of the Member's deductible.

Member Sublimits:

| General Liability |
|--|
| Law Enforcement Liability |
| Employee Benefits Liability |
| Automobile Liability |
| Public Officials Liability |
| <u>Declaratory or Injunctive Relief Defense</u> |
| Herbicide and Pesticide Application |
| Limited Professional Health Care per Endorsement #5 |
| Terrorism per Occurrence |
| Terrorism Aggregate per Member |
| Terrorism Annual Aggregate |
| |

| 3 | | |
|---|--|--|

FIFTH-SIXTH AMENDED INTERLOCAL COOPERATION AGREEMENT

THIS IS THE FIFTH SIXTH AMENDED INTERLOCAL COOPERATION AGREEMENT, made and entered into by and between members of the Utah Counties Indemnity Pool, a political subdivision of the State of Utah, each of which hereby agrees to abide by the terms and conditions of this Fifth Sixth Amended Agreement and all actions taken pursuant hereto.

WITNESSETH:

WHEREAS, pursuant to the provisions of the Interlocal Cooperation Act, Utah Code Ann. §11-13-101 et. seq., 1953 as amended, the Governmental Immunity Act, § 63-30-1 et. seq., 1953 as amended, and the Utah Insurance Code, Utah Code Ann. § 31A-1-103, 1953 as amended, public agencies, including political subdivisions of the State of Utah as therein defined, are authorized to enter into written agreements with one another for joint or cooperative action to establish a <u>liability reserve fund or "public agency insurance mutual"</u>; and

WHEREAS, the governing bodies of counties located in the State of Utah, by entering into an Interlocal Cooperation Agreement, formed the Utah Association of Counties Insurance Mutual, which began operations on or about January 1, 1992, as a public agency insurance mutual: and

WHEREAS, the governing bodies of the Members of the Utah Association of Counties Insurance Mutual, on or about August, 21, 2003, amended the original Interlocal Cooperation Agreement, making various corrections and updating references, by approving and adopting the first Amended Interlocal Agreement; and

WHEREAS, the governing bodies of the Members of the Utah Association of Counties Insurance Mutual amended the first Amended Interlocal Cooperation Agreement, on or about June 2, 2006, changing the name of the Utah Association of Counties Insurance Mutual to the Utah Counties Insurance Pool, by approving and adopting the second Amended Interlocal Agreement; and

WHEREAS, the governing bodies of the Members of the Utah Counties Insurance Pool amended the second Amended Interlocal Cooperation Agreement, on or about January 22, 2008, making various corrections and updating references, by approving and adopting the Third Amended Interlocal Agreement; and

WHEREAS, the governing bodies of the Members of the Utah Counties Insurance Pool amended the Third Amended Interlocal Cooperation Agreement, on or about December 3, 2010, making various corrections and updating references, by approving and adopting the Fourth Amended Interlocal Cooperation Agreement; and

WHEREAS, the Members of the Utah Counties Insurance Pool approved the amendments to the Fourth Amended Interlocal Cooperation Agreement, on or about

December 1, 2011, changing the name of the Utah Counties Insurance Pool to the Utah Counties Indemnity Pool, by approving and adopting the Fifth Amended Interlocal Cooperation Agreement; and

WHEREAS, the governing bodies of the Members of the Utah Counties Insurance Pool now desire to amend the Fourth Fifth Amended Interlocal Cooperation Agreement to implement the name changemake various changes, corrections and updating references by approving and adopting this Fifth Sixth Amended Interlocal Cooperation Agreement;

NOW, THEREFORE, the parties do mutually agree as follows:

Section 1. EFFECTIVE DATE; DURATION.

This Fifth—Sixth Amended Interlocal Cooperation Agreement shall become effective and shall enter into force, within the meaning of the Interlocal Cooperation Act, upon the submission of this Fifth—Sixth Amended Interlocal Cooperation Agreement to, and the approval and execution hereof by resolution of the governing bodies of each of the parties. The term of this Fifth—Sixth Amended Interlocal Cooperation Agreement shall be fifty (50) years, pursuant to Utah Code Ann. §11-13-204, 1953 as amended, unless renewed as permitted by law, or until earlier dissolved as provided herein.

Section 2. CREATION OF A SEPARATE LEGAL ENTITY.

The parties to this agreement through their respective governing bodies and pursuant to the provisions of Utah Code Ann. §11-13-203, 1953 as amended, hereby create a legal entity to be known as the Utah Counties Indemnity Pool to provide the services described herein.

Section 3. PURPOSES.

This Fifth-Sixth Amended Interlocal Cooperation Agreement has been established and entered into between the members of the Utah Counties Indemnity Pool (herein referred to as the Pool) for the following purposes:

- 1. To comply with the Utah Interlocal Cooperation Act and other applicable laws of the State of Utah; and
- 2. To ratify the previous formation of a group-funded Pool to fund through joint self-insurance, joint purchase of insurance, reinsurance, excess insurance, or other lawful manner, certain liabilities of member Utah counties, as permitted by the Utah Insurance Code and determined by the Board, with the powers set forth in the Amended Bylaws of the Pool (herein referred to as the Amended Bylaws); and
- 3. To provide, through the Pool, certain claims and risk management services

related to the liabilities so funded, and assist members in reducing and preventing such liabilities; and

4. To provide other services and functions as permitted by law.

Section 4. MEMBERS.

- 1. Membership in the Pool is limited to Utah counties and such other governmental entities allowed under its Amended Bylaws.
- 2. Members shall have such powers and authorities as provided herein and as set forth in the Amended Bylaws. Such powers shall include, but not be limited to:
 - a) Voluntarily dissolve the Pool, but only at a meeting at which a majority of all Members, whether present at the meeting or not, vote in favor of the dissolution.
 - b) Appoint or select members of the Pool Board of Trustees, in accordance with this Agreement, the Amended Bylaws and the Interlocal Cooperation Act.

Section 5. BOARD OF TRUSTEES.

The Pool shall be governed by a Board of Trustees. The Trustees shall have such powers and authorities as provided herein and as set forth in the Amended Bylaws.

- 1. The Board shall be comprised of thirteen persons in the following manner:
 - a) One Trustee, appointed by the governing body of Davis County, representing Davis County;
 - b) One Trustee, appointed by the governing body of Utah County, representing Utah County;
 - e)b) One Trustee, appointed by the governing body of Washington County, representing Washington County;
 - d)c) One Trustee, appointed by the governing body of Weber County, representing Weber County;
 - e)d) Two Trustees, elected by Member counties of the third class, representing counties of the third class;
 - f)e) One Trustee, elected by Member counties of the fourth class, representing counties of the fourth class;

- g)f) One Trustee, elected by Member counties of the fifth and sixth class, representing counties of the fifth and sixth class;
- g) Two Three Trustees, elected by all Member counties, representing all counties at large; or auditor to serve on audit committee

h)

- <u>i)h)</u> One Trustee, appointed by the Board, shall be a sheriff of a Member county, who serves as the Chair of the Law Enforcement Committee;
- <u>j)i)</u> One Trustee, appointed by the Board, shall be the Chair of the Litigation Management Committee and;
- One Trustee, appointed by the Board, shall be the Chair of the Personnel Committee.
 - i. Trustees serving pursuant to subsections (ed)-(hg) shall be designated as "Elected Trustees" and serve four-year overlapping terms.
 - ii. Trustees serving pursuant to subsections (a)-(dc) shall serve at the pleasure of the governing bodies of the Member.
 - iii. Trustees serving pursuant to subsections (ih)-(kj) shall serve for four-year terms and may be reappointed to subsequent terms by the Board.
 - iv. A Trustee serving pursuant to subsection (ih) shall serve a fouryear term ending on December 31 in even numbered years between presidential elections.
 - v. Trustees serving pursuant to subsections (ji) and (kj) shall serve four-year terms ending on December 31 of presidential election years.
- 2. No person convicted of a felony may serve as a Trustee.
- 3. Each Trustee shall be an elected or appointed officer or an employee of a Member. Trustees serving pursuant to subsections (a) –(c) shall be a member of the Members governing body. Trustees serving pursuant to subsections (d)-(g) shall be elected or appointed officers of the Member. Trustees serving pursuant to subsections (h)-(j) shall be an elected or appointed officer or an employee of a Member.
- 4. Election of Trustees shall take place at the annual Membership Meeting.

- Elected Trustees shall assume office at the first Board meeting of the calendar year following their election.
- 5. The Board of Trustees shall elect a Nominating Committee from its members. The Nominating Committee shall solicit nominations for available elected Trustee positions in accordance with the Amended Bylaws.
- 6. A vacancy shall occur on the Board when a Trustee:
 - a) Submits a written resignation to the Board; or
 - b) Dies; or
 - c) Is no longer an elected or appointed officer or employee of a Member; or
 - d) Fails to attend three consecutive regular meetings of the Board without the Board having excused such absences except that such additional absence or absences shall be excused for temporary mental or physical disability or illness; or
 - e) Is removed by the Members by a two-thirds vote of the Members present at a Membership Meeting; or
 - f) Is convicted of a felony; or
 - g) The Member of which the Trustee is an official or employee terminates their membership in the Pool.
- 7. Any vacancy in the position of an Elected Trustee may be filled by majority vote of the remaining Trustees until the next annual meeting of the Members, at which time the Members shall elect a person to fill the vacancy for the unexpired term.
- 8. Any vacancy in the position of an appointed Trustee under Article 5.1(a)-(dc) shall be filled by appointment from the respective county and the Trustee shall serve for the remainder of the unexpired term. If the county is no longer a Member, the Trustee position shall revert to an at large position, adding to the number of such positions under Section 5.1(hg), and be filled by a majority vote of the remaining Trustees until the next annual meeting of the Members, at which time the Members shall elect a person to fill the vacancy.
- 9. Any vacancy in the position of an appointed Trustee under Article 5.1(ih)-(kj) shall be filled by majority vote of the remaining Trustees and shall fill

the unexpired term of the Trustee.

- 10. To the extent permitted by law, Trustees may be reimbursed for expenses incurred in the performance of their duties, as authorized by the Board.
- 11. Each Trustee must be a resident of the State of Utah.
- 12. The powers of the Board shall include, but not be limited to, the powers to:
 - a) Delegate, by resolution adopted at a meeting of the Trustees and specifically defined in the written minutes of the Trustees' meetings, authority for specific functions to the Chief Executive Officer, but only to the extent permitted by the laws of the State of Utah and the Amended Bylaws.
 - b) Establish Member contributions, including premiums and service fees, pursuant to guidelines adopted by the Board from time to time.
 - c) Serve as the policyholder of any group policies or plans.
 - d) Determine the methods of claim administration and payment; provide for claim experience for the Members collectively or separately; and establish claim procedures and conditions to be met prior to the payment or defense of a claim.
 - e) Jointly self-insure or jointly obtain insurance, reinsurance or excess insurance (specific or aggregate), or any combination thereof, or otherwise provide for the funding of coverages and adopt and adjust coverages provided by or through the Pool, as the Board deems appropriate.
 - f) Establish employment policies for the employees of the Pool including but not limited to policies, salaries and benefits.
 - g) Provide for the administration of the moneys of the Pool, for the manner of payments to the Pool, and for payment of all expenses of the Pool; establish standards for the accountability of all receipts and disbursements of the Pool; and establish procedures for safekeeping, handling, and investing such monies received or paid.
 - h) Acquire, lease, hold, and dispose of real and personal property.
 - i) Exercise the full power and authority of any Member of the Pool when requested to do so by the Member's governing body.
 - j) Provide for necessary activities, and enter into contracts as necessary or appropriate to accomplish the purposes of the Pool.

- k) Do any act permitted by law and not in conflict with the Fifth Sixth Amended Interlocal Cooperation Agreement or the Amended Bylaws of the Pool.
- Provide for an independent audit of the financial statements and operations of the Pool, including claim handling procedures, handling of receipts and payments, investments, adequacy of reserves, compliance with financial reporting requirements and overall operations of the Pool, at such times as the Board may determine.
- m) Establish loss reduction, prevention and risk management policies, procedures, and requirements for Members of the Pool and provide risk management services and educational and other programs related to risk management.
- n) Create various Committees of the membership to assist in the oversight and operation of the Pool. The members of such Committees, including the chair, shall be appointed by the Board.
- o) Approve a list of attorneys or law firms authorized to represent Members in claims covered by or through the Pool.
- p) Obtain the services of agents, attorneys, brokers, consultants, employees, and service providers as necessary or appropriate for the operation of the Pool.
- q) Terminate a Member from the Pool as provided for in the Amended Bylaws.
- r) Create levels of membership within the Pool to provide for appropriate representation and control. Levels of membership may include, but are not limited to, voting and non-voting members and equity and non-equity members.
- s) Amend the Bylaws by a two-thirds vote of all Board members.
- t) Exercise all powers of the Pool except those powers reserved to the Members, and all powers necessary and proper for the operation of the Pool and implementation of the Pool, subject to the limits of the Agreement, the Amended Bylaws, and the Utah Code. The Board is responsible for all operations of the Pool.

Section 6. OFFICERS.

The Board of Trustees shall elect officers and establish the duties of officers of the Pool in accordance with Utah law and the Amended Bylaws.

Section 7. COMMITTEES.

The Board of Trustees may establish from time to time such committees of the Board as shall be deemed appropriate by said Board.

Section 8. MANNER OF FINANCING.

- 1. The Utah Counties Indemnity Pool shall be funded by contributions in the form of premiums or service fees, from the Members:
 - a) The amount of such contributions including any interest penalty thereon shall be established by the Board of Trustees.
 - b) Premiums established by the Board may be audited and additional premium charged based on the rate used to establish the original premium.
 - c) The Board may not charge assessments to the Members.
- 2. All monies of the Pool, and earnings thereon, shall be held in the name of and for the use and benefit of the Pool.
- 3. The Board of Trustees shall prepare an annual budget consistent with Utah Code Ann. 17A-1-408 et. seq., as amended.

Section 9. PROPERTY USED IN COOPERATIVE UNDERTAKING.

- 1. Any real or personal property acquired, held, and used pursuant to this cooperative undertaking shall be administered and controlled by the Board of Trustees established in Section 5 hereof. Any disposition of said real or personal property shall also be administered and controlled by said Board of Trustees, pursuant to the terms of this Agreement.
- 2. The provisions of this Agreement and the assets of the Pool are for the benefit of the Members of the Pool only, and no other persons or entities shall have any rights or interest in this Agreement or in any of the other documents referred to herein or in any such assets, as a third party beneficiary or otherwise. The assets of the Pool shall not be subject to attachment, garnishment, or any equitable proceeding.
- 3. In the event of a voluntary dissolution of the Pool, as provided in Section 4 hereof, the property of the Pool not used or needed for the purposes of the Pool, including its contractual obligations, shall be distributed, as determined by the Board, only to Utah counties which are Members of the Pool at the time of dissolution. Such dissolution shall be handled as provided in Section 12.

Section 10. ADDITION OF OTHER MEMBERS.

Other governmental entities may become parties to this Fifth Amended Interlocal Cooperation Agreement, subject to the approval of the Board of Trustees, by executing an Addendum to this Agreement.

- 1. In order for a governmental entity to be added to this Agreement by Addendum, the Addendum must be:
 - a) Approved by the governing body of the governmental entity to be added; and
 - b) Reviewed as to form and compliance with applicable law by the attorney for the governmental entity to be added.
- 2. Prior to becoming effective, this Fifth Sixth Amended Interlocal Cooperation Agreement and the Addendum shall be filed with the person who keeps the records of the public agency being added to this Agreement.

Section 11. WITHDRAWAL AND TERMINATION.

- 1. Any Member may withdraw their participation in a line of coverage of the Pool, but only at the end of a Pool fiscal year after giving the Board timely written notice of such withdrawal, pursuant to a resolution of the Member's Timely written notice of such withdrawal must be governing body. provided to the Board no later than 120 days prior to the Member's intended date of withdrawal. The Board shall consider a timely written notice of withdrawal to be a final decision unless the notice is rescinded by the Member no later than 90 days prior to the Member's intended date of The Board may, by a three-fourths vote and at its sole discretion, agree to permit an earlier date of withdrawal. A Member withdrawn from a line of coverage shall lose any voting rights inured as a result of participation in that line of coverage and any claim of title or interest to any asset of the Pool resulting from that line of business upon the effective date of that withdrawal with the exception of the right to payment of claims which occurred prior to withdrawal, or in the case of "claims made" coverage, the payment of claims made within the claims made reporting period adopted by the Board and in effect at the time of withdrawal including the payment of claims and expenses, regardless of the date of occurrence or claim, accrued after the date of withdrawl from that line of business.
- 2. Any member may terminate its membership in the Pool, but only at the end of a Pool fiscal year, after giving the Board timely written notice of such termination, pursuant to a resolution of the Member's governing body. Timely written notice of such termination must be provided to the Board no later than 120 days prior to the Member's intended date of termination. The

Board shall consider a timely written notice of termination to be a final decision unless the notice is rescinded by the Member at least 90 days prior to the Member's intended date of termination. A terminating Member shall lose all voting rights and any claim of title or interest to any asset of the Pool upon the effective date of termination—with the exception of the right to payment of claims which occurred prior to termination, or in the case of "claims made" coverage, the payment of claims made within the claims made reporting period adopted by the Board and in effect at the time of termination. Any claim of title or interest to any asset of the Pool, and any continuing obligation of the Pool to the member or of the member to the Pool, including the payment of claims and expenses accrued, regardless of the date of occurrence or claim, after the effective date of the member's termination, shall end.

Section 12. DISSOLUTION AND DISPOSITION OF PROPERTY.

The Pool may be dissolved by a majority of the entire Membership voting in favor of dissolution at a Membership Meeting. In the event of voluntary dissolution of the Pool, the assets of the Pool not used or needed for the purposes of the Pool, including its contractual obligations shall be distributed, as determined by the Board, only to Utah counties, which are Members of the Pool at the time of dissolution. The Members of the Pool at the time the vote is held to dissolve the Pool shall continue to be considered Members of the Pool until the final disposition of property and dissolution of the Pool is complete.

Upon partial or complete dissolution of the Pool by the Members, the Trustees shall determine all other matters relating to the disposition of property and dissolution of the Pool by a two-thirds vote of all Trustees.

Each member's interest in the property of the Pool shall be calculated as follows:

- 1. The sum of the contributions for all fund years for which the Member was a participant in the Pool divided by all contributions received by the Pool during its life, is the ratio used to calculate interest in Pool property other than equity, which is defined for these purposes as cash or cash equivalent assets of the Pool.
- 2. For equity calculation, the ratio of each Member's contributions to the total contributions shall be computed for each fund year. The Member's contribution ratio shall then be multiplied by the total surplus, less any borrowed surplus, attributable to a fund year as stated in the most recent monthly financial statement. A Member's total equity will be the sum of the

yearly amounts for each fund year for which that Member was a participating Member in the Pool.

- 3. In the event that the surplus amount is a negative number, a Member's equity will be decreased using the same method of calculation as above.
- 4. In the event of a termination of membership, the terminated Member shall lose and have no claim to any Pool property or assets. The property interest and equity formerly attributed to that Member for each fund year shall be allocated to the remaining counties that were Members during that year.

The Board shall serve as trustees for the disposition of property or funds, payment of obligations, dissolution and winding up of the affairs of the Pool. Any vacancy on the Board after dissolution has begun shall be filled in accordance with the Bylaws.

Section 13. INDEMNIFICATION.

It is the intent of the Pool to provide the broadest possible immunity from personal liability to each trustee, officer, and employee of the Pool allowed by applicable laws of the State of Utah including, but not limited to, the Utah Governmental Immunity Act, the Utah Non-Profit Corporation and Co-operative Association Act and the Utah Insurance Code, as amended from time to time. The Pool shall defend and indemnify the trustees, officers and employees of the Pool against any and all expense, including attorney fees and liability expenses, sustained by them or any of them in connection with any suit or suits which may be brought against them involving or pertaining to any of their acts or duties to the fullest extent allowed by the laws of the State of Utah.

The Pool shall purchase liability or other appropriate insurance providing coverage for the trustees, officers and employees of the Pool. Nothing herein shall be deemed to prevent compromises of any litigation where the compromise is deemed advisable in order to prevent greater expense or cost in the defense or prosecution of such litigation.

Neither this Fifth—Sixth Amended Interlocal Cooperation Agreement nor any action of the governing body of a county in adopting this Fifth—Sixth Amended Interlocal Cooperation Agreement is intended to nor do they waive, nor shall they be construed as waiving, any immunity or limitation on liability provided to the Members or their officers or employees by any law, including but not limited to any such immunity or limitation appearing in the Utah Governmental Immunity Act, and amendments thereto.

Section 14. FILING OF INTERLOCAL COOPERATION AGREEMENT.

Executed copies of this Fifth Sixth Amended Interlocal Cooperation Agreement shall be placed on file in the office of the County Clerk of each of the Members to this

<u>Fifth Sixth</u> Amended Interlocal Agreement, and shall remain on file for public inspection during the term of this <u>Fifth Sixth</u> Amended Interlocal Cooperation Agreement.

Section 15. JOINT AND SEVERAL LIABILITY.

Except as provided herein, and to the extent of the financial contributions to the Pool agreed to herein or such additional obligations as may come about through amendments to this agreement or the Bylaws, no Member agrees or contracts herein to be held responsible for any claims made against any other Member. The contracting parties intend in the creation of the Pool to establish an organization to operate only within the scope herein set out and have not herein created as between Member and Member any relationship of partnership, surety, indemnification, or responsibility for the debts of or claims against any other Member.

Section 16. AMENDMENTS.

This Fifth—Sixth Amended Interlocal Cooperation Agreement may not be amended, changed, modified or altered except by an instrument in writing which shall be (a) approved by resolution of the governing body of each of the parties, (b) executed by a duly authorized official of each of the parties, (c) submitted to and reviewed by an authorized Attorney of each of the parties, as required by Utah Code Ann. §11-13-202.5(3), 1953 as amended, and (d) filed in the official records of each party.

Section 17. SEVERABILITY.

If any term or provision of the this Fifth Sixth Amended Interlocal Cooperation Agreement or the application thereof shall to any extent be invalid or unenforceable, the remainder of this Fifth Sixth Amended Interlocal Cooperation Agreement, or the application of such term or provision to circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and shall be enforced to the extent permitted by law. To the extent permitted by applicable law, the parties hereby waive any provision of law, which would render any of the terms of this Fifth Sixth Amended Interlocal Cooperation Agreement unenforceable.

Section 18. GOVERNING LAW.

All questions with respect to the construction of this Fifth Sixth Amended Interlocal Cooperation Agreement, and the rights and liability of the parties hereto, shall be governed by the laws of the State of Utah.

Section 19. EXECUTION BY COUNTERPART.

This Fifth Sixth Amended Interlocal Cooperation Agreement may be executed in counterparts. The original of each executed Fifth Sixth Amended Interlocal Cooperation Agreement shall be filed with the Pool.

| Amended Interlocal Cooperation Agreement, after resolutions duly and lawfully passed, of the dates listed below: |
|--|
| Dated this day of, 20 |
| «COUNTY» «FORM |
| By: «COUNTY» «FORM» Chair |
| «COUNTY» «FORM» Chair |
| |
| ATTEST: |
| By: |
| «COUNTY» Clerk |
| REVIEWED AND FOUND TO BE IN PROPER FORM AND COMPLIANCE WITH APPLICABLE LAW. |
| By: |
| «COUNTY» Attorney |

ENDORSEMENT# 12

This endorsement, effective 12:01 am policy number 01-500-09-10

August 12, 2013

forms a part of

issued to UTAH COUNTIES INDEMNITY POOL

by National Union Fire Insurance Company of Pittsburgh, Pa.

ADDITIONAL NAMED INSURED

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME POLICY GOVERNMENT CRIME POLICY

Schedule

The following Insured(s) is/are added as Named Insured(s):

NAMED INSURED

| MUNICIPAL BUILDING AUTHORITY OF CARBON COUNTY |
|---|
| MUNICIPAL BUILDING AUTHORITY OF WAYNE COUNTY |
| MUNICIPAL BUILDING AUTHORITY OF WASHINGTON COUNTY |
| DUCHESNE/WASATCH LANDFILL SPECIAL DISTRICT |
| MUNICIPAL BUILDING AUTHORITY OF UINTAH COUNTY |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |

No Limit of Insurance during any period will be cumulative with any other amount applicable to the same coverage during any other period.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

AUTHORIZED REPRESENTATIVE

© All rights reserved.

END 012

ENDORSEMENT# 13

This endorsement, effective 12:01 am policy number 01-500-09-10

August 12, 2013

forms a part of

issued to UTAH COUNTIES INDEMNITY POOL

by National Union Fire Insurance Company of Pittsburgh, Pa.

FORMS INDEX (AMENDED)

In consideration of the premium charged, it is hereby understood and agreed that the "Forms Index" Endorsement is amended to include the following:

| | EDITION | 1 | |
|-------------|---------|--------------------------|----------|
| FORM NUMBER | DATE | FORM TITLE | <u> </u> |
| 95417 | 08/07 | ADDITIONAL NAMED INSURED | |
| SYSLIB | 01/05 | FORMS INDEX (AMENDED) | |

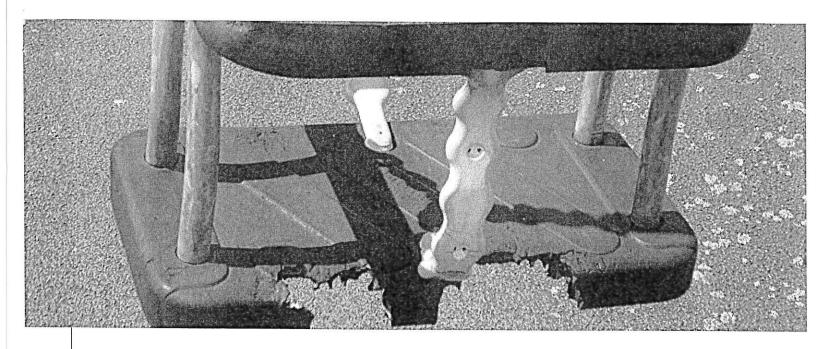
ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

AUTHORIZED REPRESENTATIVE

AFFIDAVIT OF BRUCE ADAMS

| STATE OF UTAH |) |
|---|--|
| COUNTY OF SALT LAKE | ;ss) |
| Bruce Adams, being duly sworn | upon oath, deposes and says: |
| 1. That the affiant has pers | onal knowledge of the matters hereinafter referred to in this Affidavit. |
| 2. That the Affiant, on or a | about the 15 day of August, 2013, presided over a meeting of the Utah |
| Counties Indemnity Pool Board of Truste | es, an open and public meeting within the provisions of Chapter 4, Title 52, Utah |
| Code Annotated, 1953, as amended. | |
| 3. That a quorum of the U | tah Counties Indemnity Pool Board of Trustees was present and at least two-thirds of |
| the members present, voted to close the m | neeting pursuant to the provisions of Section 52-4-4, Utah Code Annotated, 1953, as |
| amended, for the purpose of discussing th | e character, professional competence, or physical or mental health of an individual. |
| 4. That the affiant was pre | sent throughout the meeting and, pursuant to the provisions of Section 52-4-7.5, the |
| affiant does hereby affirm that the sole pu | rpose for closing the meeting was to discuss the character, professional competence, |
| or physical or mental health of an individ | ual or individuals. |
| FURTHER, Affiant saith not. | |
| DATED this <u>15</u> day of | August , 2013. BRUCE ADAMS, President Utah Counties Indemnity Pool |
| | 2013, personally appeared before me Bruce Adams, who, after being by me bring the above and foregoing Affidavit is true and correct. Augustian School Scho |
| | My Commission Expires: April 18, 2014 |





Are Your County's Outdoor Facilities Ready?

s Winter melts away, following some particularly harsh weeks of Utah weather, county citizens are (or soon will be) returning to public parks in large numbers.

This should remind counties to spring into action by ensuring public assets found in county parks and other outdoor facilities aren't ignored as they ramp-up for busy warmer months of use.

General maintenance requires that local government parks and recreation departments give special attention to joints, moving pieces, and other stress points holding fixtures and equipment together. Too often slides, benches, swings, etc. are ignored or too quickly put back into service without a careful inspection.

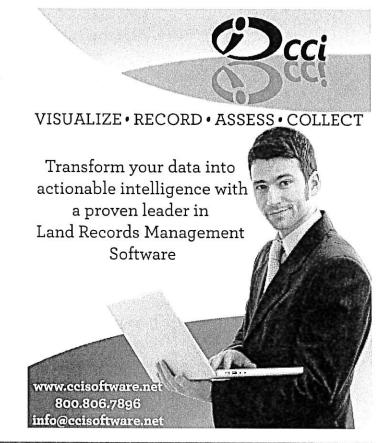
As bushings and bearings become weathered, metal-onmetal friction deteriorate hardware and create significant problems. Holes in plastic playground equipment can also be an issue. Aging plastics become brittle after weathering in the extremes of Utah's climate.

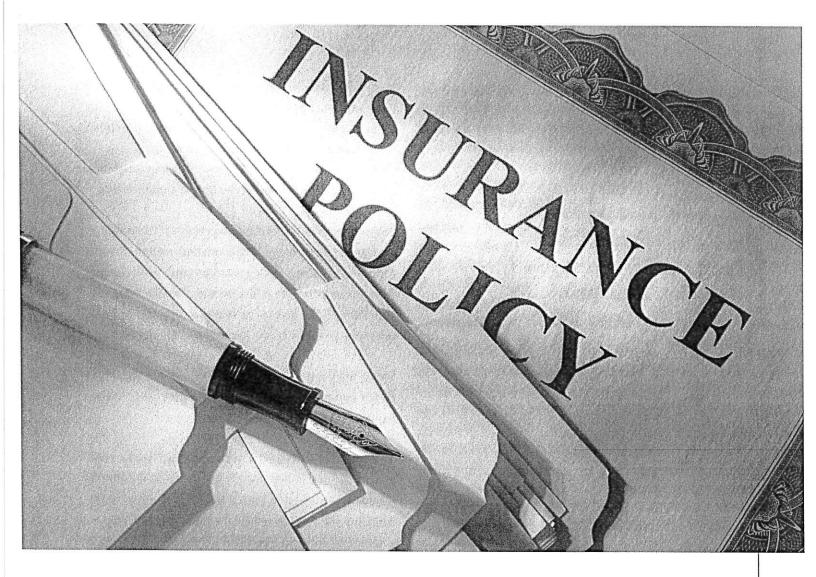
When these and other types of hazards exist, unsafe conditions for citizens and potential liabilities for counties become real. The good news is that they can be largely prevented with a simple and careful inspection and replacement of worn parts.

If an annual inspection of your county's outdoor fixtures and equipment is not routine, make it a point to begin in 2013. Most insurance providers are more than happy to

help with your on-site facility inspections. So spring into action today, ensuring your citizens can safely create great memories in your county's parks and recreation facilities.

Written by Lance Mergens, ARM, CPSI, Utah Local Governments Trust. Providing all lines of insurance products for both large & small government entities throughout Utah.





Will My Insurance Policy Cover This?

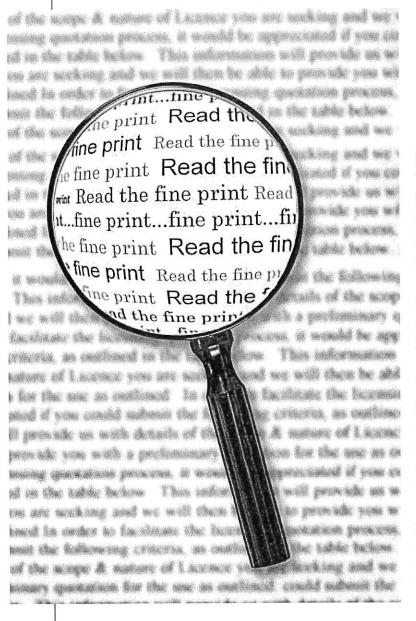
Insurance professionals and claims administrators are frequently asked theoretical questions related to coverage. Questions stem primarily from a hypothetical thought, based on the probability of a claim, lawsuit, or a practical experience that could potentially lead to a loss. Answering these types of hypothetical questions is one of the most challenging service needs in the industry.

From a claims perspective, answering questions of coverage in the hypothetical can potentially mislead insured customers as it relates to the application of a policy.

From an insured perspective, customers need a layman's understanding of the application of an insurance policy to better address potential exposures. In an attempt to meet that need, it is best to understand how your policy works.

There are multiple property-casualty policies available to counties. For example, automobile and property policies are written to cover specific types of perils and usually follow a strict structure in the interpretation of coverage. Workers compensation policies are also written to cover a specific type of exposure as defined by statute.

However, most coverage questions arise in connection with general liability policies. General liability policies are written to cover the broadest scope of exposure with certain exceptions. Those exceptions are defined in the exclusions portion of the policy. In order to define the scope of the general liability policy, thus determining what your insurance company will cover, you should look at two sections:



First, begin with the Insuring Agreement. The insuring agreement outlines what the policy is intended to cover. This portion of the policy usually has what's called "triggering" language. Your actual loss or hypothetical must be triggered first. In other words, there must be some type of allegation (by a third party) made against you that would trigger the policy. Your insurance company looks for any of four types of trigger theories:

1. Manifestation Theory - The policy is triggered when the manifestation of the injury becomes apparent or readily identifiable.

- 2. Exposure Theory The policy is triggered upon first exposure to conditions that cause the injury.
- 3. Actual Injury or Injury in Fact Theory An injury is thought to have actually occurred.
- 4. Continuous Trigger Theory Coverage arises under any policy in effect at the time the injury exists.

Secondly, review the exclusions portion of the policy. Your policy has a list of allegations that are not intended for coverage. Every policy is unique and could change from policy period to policy period. Familiarizing yourself with the exclusions may answer many of the questions you have in the hypothetical about coverage.

Lastly, there are allegations made against you that aren't clearly covered or not covered under the policy. What happens in that case?

That would likely trigger a "duty to defend" under your general liability policy. Since a duty to defend cannot be prudently answered in the hypothetical, your insurance company will need to review the four corners of the complaint. This will help them determine whether or not they have a duty to defend.

If the allegations contained within the complaint arguably come within coverage, the insurer is typically required to provide a defense. While the defense is taking place it is usually done under a reservation of rights.

As discussed, questions of coverage can be difficult to answer in the hypothetical. Slight changes in facts or allegations can significantly change an insurance company's position on coverage. When faced with a looming claim it is important that you tender it to your insurance company as soon as possible for coverage investigation and discussions to begin in earnest.

Chris Rozelle, CCLA, LPCS Utah Local Governments Trust

HELLO MYNAMEIS

MEANINGFUL

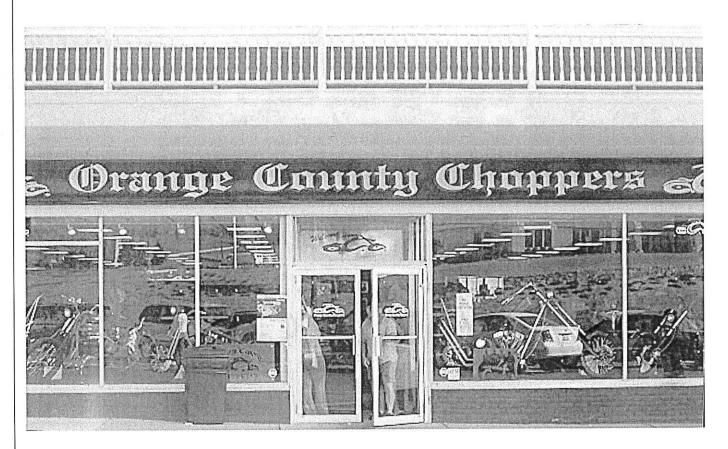
What's in a Name?

Allowing Another Entity to Use the County's Name: Good Idea or Lawsuit Waiting to Happen?

s many of you know, there are prohibitions on businesses and special service districts using the word "county" as part of its name without permission and/or in violation of Utah law. While no one would seriously believe that a business called the "Salt Lake County Tattoo Parlor" was a governmental entity, there are other instances where the distinction is not so clear.

What has happened in the past, and most likely will happen in the future, is that a plaintiff suing a business whose name contains the word "county" often assumes the county owns or controls the business and therefore must be named in the lawsuit. The next thing you know, the county is served with a summons and complaint because the plaintiff believes that the county is involved in the business. Yes, eventually the county is dismissed from the lawsuit after spending defense costs to get there but all this could have been avoided in the first place if the business had not used the county name.

Of particular concern are the special service districts and local districts that use the county name. There is a



difference between "Box Elder School District" and "Box Elder County School District." The former is the correct name and the latter is not. Yet many times the two are used interchangeably for example, on websites—and no one notices until there is a lawsuit and a county is sued along with the school district (a state entity).

Here's how you can protect the county from needless litigation. First, know the law. Pursuant to Utah Code Ann. § 17-50-103, a district is prohibited from using the word "county" in its name. The statute distinguishes between "existing local entity" and "new local entity."

An "existing local entity" means a local district, special service district, or other political subdivision of the state which was created before May 1, 2000. After January 1, 2005, an existing local entity may not use the word "county" in its name unless the county whose name is used by the existing local entity gives its written consent. The board of each local district affected is charged with ensuring compliance with this subsection. See Utah Code Ann. § 17B-1-105(1)(b).

A "new local entity" means a city, town, school district, local district, special service district, or other political subdivision of the state which was created on or after May 1, 2000. The statute directs that a new local entity may not use the word "county" in its name and provides that the affected county may bring legal action in district court to compel compliance.

Second, review the county's website and the websites for any local entities that are not county-controlled such as a

school district or special service to see if someone has inadvertently used the word "county" in the entity's name when it should not be part of it. If so, take the appropriate steps as described in the statute to protect your county from time-wasting and money-wasting litigation.



WHAT'S IN A NAME?

Allowing Another Entity to Use the County's Name: Good Idea or Lawsuit Waiting to Happen?

As many of you know, there are prohibitions on businesses and special service districts using the word "county" as part of its name without permission and/or in violation of Utah law. While no one would seriously believe that a business called the "Salt Lake County Tattoo Parlor" was a governmental entity, there are other instances where the distinction is not so clear.

What has happened in the past, and most likely will happen in the future, is that a plaintiff suing a business whose name contains the word "county" often assumes the county owns or controls the business and therefore must be named in the lawsuit. The next thing you know, the county is served with a summons and complaint because the plaintiff believes that the county is involved in the business. Yes, eventually the county is dismissed from the lawsuit after spending defense costs to get there but all this could have been avoided in the first place if the business had not used the county name.

Of particular concern are the special service districts and local districts that use the county name. There is a difference between "Box Elder School District" and "Box Elder County School District." The former is the correct name and the latter is not. Yet many times the two are used interchangeably for example, on websites—and no one notices until there is a lawsuit and a county is sued along with the school district (a state entity).

Here's how you can protect the county from needless litigation. First, know the law. Pursuant to *Utah Code Ann. § 17-50-103*, a district is prohibited from using the word "county" in its name. The statute distinguishes between "existing local entity" and "new local entity."

An "existing local entity" means a local district, special service district, or other political subdivision of the state which was created before May 1, 2000. After January 1, 2005, an existing local entity may not use the word "county" in its name unless the county whose name is used by the existing local entity gives its written consent. The board of each local district affected is charged with ensuring compliance with this subsection. See *Utah Code Ann. § 17B-1-105(1)(b)*.

A "new local entity" means a city, town, school district, local district, special service district, or other political subdivision of the state which was created on or after May 1, 2000. The statute directs that a new local entity may not use the word "county" in its name and provides that the affected county may bring legal action in district court to compel compliance.

Second, review the county's website and the websites for any local entities that are not county-controlled such as a school district or special service to see if someone has inadvertently used the word "county" in the entity's name when it should not be part of it. If so, take the appropriate steps as described in the statute to protect your county from time-wasting and money-wasting litigation.

In the next issue, we'll discuss concerns about business entities using a county name. Until then, if you have any questions, feel free to call me at (801)3072122 or send me an email at kliuzzi@ucip.utah.gov

Sonya White

From:

Sonya White <sonya@ucip.utah.gov>

Sent:

Friday, July 19, 2013 2:46 PM

To:

'Doug Perry'

Subject:

RE: Article for County Voice

Doug,

Please delete that last paragraph and end with:

Kathleen Liuzzi, Loss Control Manager Utah Counties Indemnity Pool kliuzzi@ucip.utah.gov

From: Doug Perry [mailto:doug@uacnet.org]

Sent: Friday, July 19, 2013 12:08 PM

To: Sonya White

Subject: RE: Article for County Voice

Sonya,

Can I change the last paragraph of the article to this:

In a future issue, we'll discuss concerns about business entities using a county name. Until then, if you have any questions, feel free to call UCIP at (801)3072122 or send me an email at kliuzzi@ucip.utah.gov

And, do you have the name of a person I can insert from UCIP? "...feel free to call John Doe at UCIP..."

Doug Perry
Communications Director
Utah Association of Counties
(801) 265-1331
www.uacnet.org
Follow us on Facebook or Twitter
"A unified voice for county government"

From: Sonya White [mailto:sonya@ucip.utah.gov]

Sent: Tuesday, July 16, 2013 11:35 AM

To: doug@uacnet.org

Subject: Article for County Voice

Hi Doug,

I've attached the article we would like you to publish in the next County Voice. This is information that affects all counties state-wide. Please let me know if you agree with the content for the UAC newsletter.

I have just attached it in a MS Word document because it is my understanding you want to format it to fit the template.

Thank you so much for this opportunity and we look forward to providing you submissions in the future.

ZIONS® Wealth Advisors ACCOUNT SUMMARY

UCIP

Account #8913870

From 7/01/2013 Through 7/31/2013

ACCOUNT SUMMARY (COST):

| BEGINNING BALANCE: | 2,040,968.80 |
|----------------------------|--------------|
| DEPOSITS IN THE PERIOD: | |
| WITHDRAWALS IN THE PERIOD: | - |
| REALIZED GAIN/LOSS: | _ |
| GROSS INCOME: | 1,254.07 |
| MANAGEMENT FEE (0.033%): | (58.17) |
| ENDING BALANCE: | 2,042,164.70 |

PERFORMANCE SUMMARY

| INTEREST EARNED: AMORTIZATION/ACCRETION (Month to Date): | 968.74 25.93 |
|--|-------------------------|
| REALIZED GAIN/LOSS: | Standard School Control |
| GROSS EARNINGS: | 994.67 |
| MANAGEMENT FEE (0.033%): | (58.17) |
| NET EARNINGS: | 936.50 |
| AVERAGE DAILY BALANCE: | 2,044,682.26 |
| GROSS EARNINGS RATE: (360-day yield) | 0.5649% |
| NET EARNINGS RATE: (360-day yield) | 0.5319% |

- * Performance calculated using trade-date accounting.
- * Management fee is charged on first day of following month, then back-dated to reflect the charged fee for the month in which it was earned. Funds invested in PTIF are not charged management fees.
- * This summary is provided as a courtesy and for informational purposes only. It should not be used for tax purposes. Clients should refer to their custodial statement as the official account documentation.
- * Please note that amortization and accretion makes up a portion of the Gross Earnings. Amortization and accretion is expense / income that is received from buying securities at a premium / discount (i.e., commercial paper).
- * Contango Capital Advisors is a registered investment adviser and a non-bank affiliate of Zions Bank and a non-bank subsidiary of Zions Bancorporation. In Utah and Idaho, Contango operates under the name Zions Wealth Advisors. Some representatives of Zions Wealth Advisors are also registered representatives of Zions Direct, which is a member of FINRA/SIPC and a non-bank subsidiary of Zions Bank. Investment products and services are not insured by the FDIC or any federal or state governmental agency, are not deposits or other obligations of, or guaranteed by, Zions Bank, Zions Bancorporation or its affiliates, and may be subject to investment risks, including the possible loss of principal value or amount invested.

| | | | ** |
|------|--|----------|----|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | j. | |
| | | <i>y</i> | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| - 26 | | | |